

**Bylaws (Required Civil Code Sec. 4525)
Edgewood Homeowners Association**

EDGEWOOD HOMEOWNERS ASSOCIATION
RESTATED BYLAWS

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RESTATED BYLAWS
OF
EDGEWOOD HOMEOWNERS ASSOCIATION

ARTICLE I
Recitals and Definitions

Section 1. Name of Corporation. The name of this corporation shall be Edgewood Homeowners Association and shall be referred to herein as the Association.

Section 2. Corporation is Non-Profit. This corporation has been formed pursuant to the California Non-Profit Corporation Law as a mutual benefit association.

Section 3. Specific Purpose. The specific and primary purpose of this Association shall be to own, repair, maintain and manage the Common Area and Common Facilities within that certain real estate project located in the County of Sacramento, State of California, and commonly referred to as Edgewood, to maintain individual units to the extent and in the manner more particularly described in the Declaration, enforce the Association Rules and Regulations adopted by the Board of Directors, from time to time, and the terms and conditions of the Declaration and to otherwise enhance and promote the use and enjoyment of Common Areas and Common Facilities by the Owners in common.

Section 4. Definitions.

(a) Definition of Declaration. The term "Declaration" shall mean all limitations, restrictions, covenants, terms and conditions set forth in the Restated Declaration of Covenants, Conditions and Restrictions recorded with respect to the Properties in Exhibit A, at Book 90, Page 942 Official Records of Sacramento County, as such Declaration may from time to time be supplemented, amended or modified by subsequent Declaration, or amendment thereto, duly recorded in said Recorder's Office.

(b) Definition of County. The term "County" shall mean the County of Sacramento, State of California.

(c) Definition of Office of Recorder. The term "Office of Recorder" shall mean the Office of the Recorder, County of Sacramento, State of California.

(d) Definition of Person. The term "Person" shall mean and include any individual, corporation, partnership, association or other entity recognized by the laws of the State of California.

(e) Other Definitions Incorporated by Reference. The terms defined in Article I of the Declaration shall have the same meaning when used herein unless the context clearly indicates a contrary intention.

ARTICLE II Principal Office

Section 1. Location of Principal Office. The principal office of the Association shall be located at 5700 Spyglass Lane, Citrus Heights, California, 95610, or such other place in the County as the Board from time to time may designate.

ARTICLE III Membership

Section 1. Members of the Association. Every Owner of a Unit within the Properties shall be a Member of the Association. Membership in the Association shall be appurtenant to, and may not be separate from, ownership of any Unit.

Section 2. Term of Membership. Each Owner who is a Member shall remain a Member until no longer qualified as such under Section 1 above.

Section 3. Multiple Ownership of Unit(s). If more than one person owns a Unit, all of said persons shall be deemed to be one Member. In the case of multiple ownership, unless the Secretary of the Association is given written notice to the contrary and is given a copy of the instrument or court order allocating voting rights differently, only one of the such multiple Owners shall be entitled to vote the membership. The Secretary of the Association shall be notified in writing of the Owner designated by the Co-owners as having the sole right to vote the membership on their behalf. If more than one multiple Owner attempts to vote a membership, the Secretary may refuse to count any ballot pertaining to said Unit.

Section 4. Furnishing Evidence of Membership. If a question concerning eligibility to vote arises, a person shall not be entitled to exercise the rights of a Member until such person has advised the Secretary in writing that the person is qualified to be a Member under Section 1 above, and has provided the Secretary with evidence of such qualification in the form of a copy of a recorded grant deed (certified by the Office of the Recorder) or a currently effective policy of title insurance. Exercise of membership rights shall be further subject to the rules regarding Record Dates of Notice, Voting and Actions by Written Ballot set forth herein.

ARTICLE IV Membership Voting

Section 1. Single Class of Membership. The Association shall have one class of voting membership.

Section 2. Member Voting Rights. On each matter submitted to a vote of the Members, whether at a meeting of the membership called and held pursuant to the provisions of these Bylaws or otherwise, each Member shall be entitled to cast one vote for each Unit owned by such Member. Single memberships in which two or more persons have an indivisible interest shall be voted as provided in Article III, Section 3 of these Bylaws.

Section 3. Eligibility to Vote. The persons entitled to vote at any meeting of Members shall be those persons who are Members of the record date determined in accordance with Section 8 of Article V hereof, subject to the provisions of California's Non-Profit Corporation Law. A Member must be in good standing with all assessments current, and not under any suspension of membership rights in order to be eligible to vote.

Section 4. Manner of Casting Votes. Voting may be by a show of hands or by ballot, provided that any election of a Director(s) shall be conducted by secret written ballot; provided further, that the vote on any issue properly before a meeting of the Members shall be by secret ballot if required by the Chairman of the meeting, in his discretion, or when requested by Ten percent (10%) of the voting power present at the meeting. Members eligible to vote may do so in person or by proxy in accordance with Section 5 of this Article IV.

Section 5. Proxies.

(a) Every person entitled to vote may do so either in person or by one or more agents, authorized by a written proxy, signed by the Member and filed with the Secretary of the Association. Any proxy shall be for a term not to exceed eleven (11) months from the date thereof, unless otherwise provided in the proxy; provided that the maximum term of any proxy shall be three (3) years from the date of execution and, provided further, that any proxy pertaining to the nomination or election of a Director(s) shall have a maximum term not to exceed one (1) year. Members may authorize, in writing, the Board of Directors or any member of the Board or Association as their proxy.

(b) Any proxy issued hereunder shall be revocable by the person executing such proxy at any time prior to the vote pursuant thereto by (i) delivery to the Secretary of a written notice of revocation; (ii) a subsequent proxy executed by the Member executing the prior proxy and presented prior to the vote during the meeting; or (iii) as to any meeting, by attendance at such meeting and voting in person by in person by Member executing the proxy. The dates contained on the forms of proxy presumptively determined the order of execution, regardless of the postmarks contained on the envelopes in which they are mailed. A proxy shall be deemed revoked when the Secretary shall receive actual notice of the death or judicially declared incompetence of the Member issuing the proxy or upon termination of such Member's status as a Member, provided in Article III, Section 1 above.

(c) Any proxy given with respect to any of the matters described in this subparagraph (c) shall be valid only if the proxy sets forth the general nature of the matter to be voted on. The matters subject to this requirement are:

- (i) Removal of Directors;
- (ii) Filling of vacancies on the Board;

(iii) Approvals of contracts or transactions between the Association and one or more of its Directors, or between the Association and a corporation firm or association in which one or more of its Directors has a material interest;

(iv) Action to amend the Articles of Incorporation, these Bylaws or the Declaration;

(v) Sale, lease, exchange, transfer or other disposition of all or substantially all of the Association's assets, otherwise than in the regular course of the Association's activities;

(vi) Merger of the Association or amendment of an agreement or merger;

(vii) Voluntary dissolution; or

(viii) Action to change any Association assessments in a manner requiring membership approval under the declaration.

(d) A Member's proxy shall be voted solely by the person authorized and designated by the Member to vote that proxy.

(e) In any election of Directors, any form of proxy in which the Directors to be voted upon are named therein as candidates and which is marked by a Member "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of Directors is withheld shall not be voted either for or against the election of a Director. If any proxy issued in connection with the election of Directors is marked so as to direct the proxy holder to vote the proxy for a specified candidate or candidates, the Secretary of the Association shall mark the ballot in accordance with the direction of the proxy prior to delivery of the ballot to the proxyholder.

(f) No amendment of the Articles or Bylaws repealing, restricting, or expanding proxy rights may be adopted without approval by the affirmative vote of a majority of the voting power of Members represented and voting at a duly held meeting at which a quorum is present, or the affirmative vote of a majority of the voting power of Members by written ballot as provided in Article IV, Section 6 thereof.

(g) Where two or more persons constitute a Member, any proxy with respect to the vote of such Member shall be signed by all such persons. All such persons may attend meetings, but no vote of such Member shall be cast without the unanimous consent of all persons constituting such Member present at the meeting.

Section 6. Action by Written Ballot Without a Meeting.

(a) Any matter or issue requiring the vote of the Members, other than the election of directors, may be submitted for vote by written ballot without a meeting of the Members, provided the requirements for action by written ballot set forth in this Section 6 are met.

The determination to seek Member approval for corporate action in this fashion shall be made by a majority of the Board or by Members having twenty percent (20%) of the total votes of the membership signing a written request and delivering this request to the Secretary. In the event that any matter or issue is to be voted upon by written ballot, at least fifteen (15) days prior to the date the written ballots are to be received to be counted, the Board shall distribute the written ballot to every Member entitled to vote on the matter. Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, provide a reasonable time within which to return the written ballot to the Association and state on its face or in an accompanying notice the date by which the written ballot must be returned in order to be counted. The time fixed for the return of ballots may only be increased if the Board so notifies the Members in writing prior to commencement of the balloting period and then for no more than forty-five (45) days.

(b) 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 number required to be present at a meeting of Members authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the action at a meeting of Members.

(c) Written ballots shall be solicited in a manner consistent with the requirements of Article V, Section 4(c) pertaining to the giving of notice to Members' Meetings. All solicitations of written ballots shall indicate the number of responses needed to meet the quorum requirement for valid action and shall state the percentage of affirmative votes necessary to approve the measure submitted. If deemed necessary by the Board, the ballot shall be conducted in accordance with such additional procedures, not inconsistent with the provisions of this Section, as may be prescribed by a firm of certified public accountants of good repute who may also be trained to supervise the secrecy and control of the election.

(d) Upon tabulation of the ballots, the Board shall notify, within a reasonable time, the Members of the outcome of the election. If insufficient votes to constitute a quorum are cast, the Board shall so notify the Members. The Board may give notice by first-class mail, telephone or other written communication, charges prepaid. Once exercised, a written ballot may not be revoked.

Section 7. Only Majority Vote of Members Represented at Meeting Required, Unless Otherwise Specified. If a quorum is present, the affirmative vote of the majority of the voting power of Members represented at the meeting, entitled to vote and 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's Non-Profit Corporation Law, by the Declaration, or by the Articles of Incorporation or Bylaws of the Association.

ARTICLE V
Membership Meetings

Section 1. Place of Meeting. The meetings of the Members shall be at the offices of the Association within the Properties or at such other reasonable place (within the County) and at such time as may be designated by the Board in the notice of the meeting. Unless unusual conditions exist, meetings shall not be held outside of the County in which the subdivision is situated.

Section 2. Annual Meeting. There shall be an annual meeting of the Members held in May of each year.

Section 3. Special Meetings.

(a) Persons Entitled to Call Special Meetings. A majority of the Board, the President or twenty percent (20%) or more of the Members may call special meetings of the Members at any time to consider any reasonable business of the Association.

(b) Procedures for Calling Special Meetings Requested by Members. If a special meeting is called by Members and not by the President, or majority of the Board, 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 personally or sent by certified mail or by telegraphic or other facsimile transmission to the President, Vice-President or the Secretary of the Association. The officer receiving the request shall cause notice to be promptly given to the Members entitled to vote, in accordance with the provisions of Section 4 of this Article V, that a meeting will be held, and the date and time for such meeting, which date shall not be less than thirty-five (35) or more than ninety (90) days following the receipt of the request. If the notice is not given within the twenty (20) days after receipt of the request, the persons 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 meeting of Members may be held when the meeting is called by a majority of the Board of Directors or the President.

Section 4. Notice of Members' Meetings.

(a) All notices of meetings of Members (whether regular or special) shall be sent or otherwise given in writing to each Member, who on the record date for notice of the meeting (Article V, Section 8) is entitled to vote thereat, in accordance with subparagraph (c) of this Section 4, not less than ten (10) nor more than ninety (90) days before the date of the meeting. The notice shall specify the place, date, and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted and no other business may in that case be transacted, or (ii) in the case of a regular meeting those matters which the Board of Directors, at the time of giving the notice, intends to present for action by the Members but any proper matter may be presented by any Member at the

meeting for such action so long as a quorum is present. The notice of any meeting at which directors are to be elected shall include the names of all those individuals who are nominees at the time the notice is given to the Members.

(b) If action is proposed to be taken at any meeting for approval of any of the following proposals; the notice shall also state the general nature of the proposal. Member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s):

(i) Removing a Director without cause;

(ii) Filling vacancies on the Board of Directors under those circumstances where a vote of the Members is required pursuant to Article VII, Section 5 of these Bylaws.

(iii) Amending the Articles of Incorporation, these Bylaws or the Declaration in any manner requiring approval of the Members;

(iv) Approving a contract or other transaction between the Association and one or more of its Directors, or between the Association and any corporation, firm or association in which one or more of its directors has a material financial interest;

(v) Approving any change in the Association's assessments in a manner requiring membership approval under the Declaration; or

(vi) Voting upon any election to voluntarily wind up and dissolve the Association.

(c) Notice of any meeting of Members shall be given by first-class mail, telegraphic or other written communication, charges prepaid, addressed to each Member either at the address of that member appearing on the books of the corporation or the address given by the Member to the Association for the purpose of notice. If no address appears on the Association's books, and no other has been given, notice shall be deemed to have been given if either (i) notice is sent to that Member by first-class mail or telegraphic or other written communication; or (ii) notice is published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at that time when deposited in the mail or sent by telegram or other means of written communication.

(d) An affidavit of the mailing or other means of giving any notice of any Members' meeting may be executed by the Secretary or the Assistant Secretary of the Association and, if so executed, shall be filed and maintained in the minute book of the Association. Such affidavit shall constitute prima facie evidence of the giving of notice.

Section 5. Quorum Requirements.

(a) Thirty-Five percent (35%) of the voting power of Members, represented in person or by proxy, shall constitute a quorum for the transaction of business at a meeting of the Members.

(b) The Members present at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

Section 6. Adjourned Meeting. Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned and rescheduled to another time and place (but not for more than forty-five (45) days) by the vote of the majority of Members represented at the meeting, either in person or by proxy. If a Members' meeting is adjourned for lack of a quorum, the meeting must be rescheduled (for a date not more than forty-five (45) days from the adjourned meeting) and the time and place of the resumed meeting shall be announced prior to the adjournment of the meeting. At such resumed meeting, twenty-five percent (25%) of the voting power of Members represented in person or by proxy shall constitute a quorum for the transaction of business, provided that at any such resumed meeting which is attended in person or by proxy, by less than thirty-five (35%) of the voting power of Members (but at which a quorum is present) the only matters upon which action can be validly taken are those matters the general nature of which was described in the notice of meeting pursuant to Section 4, Article V. Subject to the foregoing or unless there is an absence of a quorum (in which case no other business may be transacted at that meeting except as provided in Section 5(b) above), the resumed meeting may take any action which might have been transacted at the original meeting. When a Members' meeting is adjourned to another time or place, notice need not be given of the new meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. Notwithstanding the foregoing, if after adjournment a new record date is fixed for notice or voting, a notice of the resumed meeting must be given to each Member who, on the record date for notice of the meeting, is entitled to vote thereat.

Section 7. Waiver of Notice or Consent by Absent Members.

(a) The transactions of any meeting of Members, either annual or special, however called or noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote who was not present in person or by proxy, signs a written waiver of notice or a consent to a holding of the meeting or an approval of the minutes. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual special meeting of Members, except that if action is taken or proposed to be taken for approval of any of

those matters specified in Section 4(b) of this Article V, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(b) Unless a person objects at the beginning of a meeting to the transaction of business at that meeting due to the inadequacy or illegality of the notice thereof, attendance by that person at the meeting shall constitute a waiver of notice of the meeting. Attendance at a meeting, however, is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting which are required to be described therein pursuant to Section 4(b) of this Article V, if that objection is expressly made at the meeting.

Section 8. Record Dates for Member Notice, Noting and Giving Consents.

(a) 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 of Directors may fix, in advance, a "record date" and only Members of record on the date so fixed are entitled to notice, to vote or to take action by written ballot or otherwise, as the case may be, notwithstanding any transfer of any membership on the books of the Association after the record date, except as otherwise provided in the Articles of Incorporation, by agreement, or in the California Non-Profit Corporation Law. The record dates established by the Board pursuant to this Section shall:

(i) In the case of determining those Members entitled to notice of a meeting, not be more than ninety (90) nor less than ten (10) days before the date of the meeting;

(ii) In the case of determining those Members entitled to vote at a meeting, not be more than sixty (60) days before the date of the meeting;

(iii) In the case of determining Members entitled to cast written ballots, not be more than sixty (60) days before the date on which the first written ballot is mailed or solicited; and

(iv) In the case of determining Members entitled to exercise any rights in respect to other lawful action, not be more than sixty (60) days prior to the date of such other action.

(b) Failure of Board to Fix a Record Date.

(i) Record Date for Notice of Meetings. Unless fixed by the Board, the record date for determining those Members entitled to receive notice of a meeting of Member shall be the business day preceding the day on which notice is given or, if notice is waived the business day preceding the day on which the meeting is held.

(ii) Record Date for Voting. Unless fixed by the Board, the record date for determining those Members entitled to vote at a meeting of Members shall be the day of the meeting or, in the case of an adjourned meeting, the day of the adjourned meeting.

(iii) Record Date for Action by Written Ballot Without Meeting. Unless fixed by the Board, the record date for determining those Members entitled to vote by written ballot on proposed corporate actions without a meeting, when no prior action by the Board has been taken, shall be the day on which the first written ballot is mailed to or solicited from Member(s). When prior action of the Board has been taken, it shall be the day on which the Board adopts the resolution relating to that action.

(iv) Record Date for Other Lawful Action. Unless fixed by the Board, the record date for determining those Members entitled to exercise any rights in respect to any other lawful action shall be the date on which the Board adopts the resolution relating thereto, or the sixtieth (60th) day prior to the date of such other action, whichever is later.

(v) "Record Date" Means as of Close of Business. For purposes of this paragraph (b), a person holding a membership as of the close of business on the record date shall be deemed the Member of record.

ARTICLE VI Membership Rights

Subject to the provisions hereof and the provisions of the Declaration, the Members shall have the following rights:

Section 1. Use and Enjoyment of Common Areas. Each Member shall be entitled to the use and enjoyment of all common Areas and Common Facilities within the Properties.

Section 2. Use of Common Areas, Etc. by Family Members. Each Member shall have the right to designate members of the Member's family who reside with the Member on the Member's Lot who may use and enjoy the Common Areas and Common Facilities within the Properties.

Section 3. Tenants. Each Member shall have the right to assign that Member's rights as a Member (other than voting rights) to a tenant residing within the Residence located upon said Member's Unit in compliance with the Declaration and the Association's Rules as the same may exist from time to time. At all times the Owner shall remain responsible for compliance by Owner's lessee or tenant with the provisions of these Bylaws, the Declaration and the Association Rules. Assignment of an Owner's right to use the Common Facilities to a tenant or lessee shall not be effective until such time as the Owner-Member has given the Secretary written notice thereof setting forth the name of the assignee and the

members of his or her family who will be entitled to the use and enjoyment of the Common Areas and Common Facilities and roads within the Properties by virtue of said assignment. During the period of any lease or rental of a Unit, the Member shall not be entitled to use the Common Areas and Common Facilities and roads within the Properties by virtue of said assignment. During the period of any lease or rental of a Unit, the Member shall not be entitled to use the Common Areas or Common Facilities except to the extent reasonably necessary to perform the usual responsibilities of a landlord or to insure or gain compliance by the tenant with the requirements of any applicable Governing Document, or any amendment thereto.

Section 4. Invitees and Guests. The invitees and guests of Member shall have the right to use and enjoy the Common Areas, Common Facilities and roads within the Properties, subject to the same obligation imposed upon the Owner to observe the rules, restrictions and regulations of the Association as set forth in the Bylaws, the Declaration, or any applicable Governing Documents or amendment thereto.

Section 5. Association Rules and Regulations. The right of use and enjoyment hereunder, shall at all times be subject to the rules, limitations and restrictions set forth herein, in the Declaration and in the Association's rules and regulations as promulgated by the Board from time to time. With the exception of the right of use of any roads, the Board shall have the right to impose monetary penalties or to temporarily suspend the use and enjoyment of any Common Area and Common Facilities for the failure of a Member to pay any assessments when due under the Declaration or the failure of a Member, a Member's family, guest, invited lessee or tenant to comply with any other rule or regulation imposed upon such Member, his tenants or guests, pursuant to the Articles of Incorporation, these Bylaws, the Declaration, or any amendment thereto, provided, however, that any such suspension shall only be imposed after such person has been afforded the notice and hearing rights more particularly described in the declaration.

ARTICLE VII Board of Directors

Section 1. General Corporate Powers. Subject to the provisions of the California Non-profit Corporation Law and any limitations in the Articles, Declaration and these Bylaws relating to action required to be approved by the Members, the business and affairs of the Association shall be vested in and exercised by the Association's Board of Directors consisting of nine (9) persons who shall be Resident Members. Subject to the limitations expressed in Article X, Section 1, the Board may delegate the management of the activities of the Association to any person or persons, management company or committee provided that notwithstanding any such delegation, the activities and affairs of the Association shall continue to be managed and all corporate powers shall continue to be exercised under the ultimate direction of the Board.

Section 2. Term of Office. A Director's term shall be three (3) years commencing the first day of the month following the election). There shall be no limitation upon the number of consecutive terms to which a Director may be reelected. Each Director duly elected by the membership, including Directors elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified. A Director appointed by the Board to fill a vacancy shall serve the unexpired term of the predecessor.

Section 3. Nominations of Directors.

(a) At least ninety (90) days prior to the date of any election of Directors, the President shall appoint a nominating committee to select qualified candidates for election to those positions on the Board of Directors held by Directors whose terms are then expiring. The nominating committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association who may or may not be Board members. The nominating committee shall make its report at least thirty (30) days before the date of the election and the Secretary shall forward to each Member, with the notice of meeting required by Article V, Section 4, a list of candidates nominated. The nominating committee shall make as many nominations for election to the Board as it shall, in its discretion, determine appropriate, but not less than the number of vacancies on the Board to be filled.

(b) If there is a meeting of Members to elect Directors, any Member present at the meeting, in person or by proxy, may place names in nomination.

Section 4. Election of Directors. At each annual meeting of the Members, the Members shall elect persons to those positions on the Board of Directors held by Directors whose terms are then expiring. The persons thus elected shall be selected from among those persons nominated pursuant to Section 3 above; however, if for any reason an annual meeting is not held or the directors are not elected at any annual meeting, the Directors may be elected at any special meeting held for that purpose. Candidates receiving the highest number of votes shall be elected as Directors. The Directors thus elected shall take office on the first day of the next month following their election. Each Director, including a Director elected to fill a vacancy or elected at a special Members' meeting, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

Section 5. Vacancies on Board of Directors.

(a) A vacancy or vacancies on the Board of Directors shall be deemed to exist on the occurrence of any of the following: (i) the death or written resignation of any Director or the removal of a Director pursuant to subparagraph (d) hereof; (ii) an increase in the authorized number of Directors; or (iii) the failure of the Members, at any meeting of Members at which any Director or Directors are to be elected, to elect the number of

Directors to be elected at such meeting; (iv) a Director ceasing to be a Member of the Association.

(b) Except as provided in this paragraph, any Director may resign, which resignation shall be effective on giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specified a later time for the resignation to become effective. If the resignation of a Director is effective at a future time, the Board of Directors may appoint a successor to take office when the resignation becomes effective.

(c) Vacancies on the Board shall be filled by a majority vote of the remaining Directors though less than a quorum, or by a sole remaining Director. In the event the remaining Directors do not fill a vacancy on the Board, the Members may elect a Director or Directors to fill any vacancy or vacancies not filled by the Directors, but any such election or written ballot shall require the affirmative vote of the majority of the voting power of Members represented and voting a duly held meeting at which a quorum is present (which affirmative votes also constitute a majority of the required quorum) or by written ballot in conformity with Article IV, Section 6 hereof.

(d) The Board of Directors shall have the power and authority to remove a Director and declare his office vacant if he has (i) been declared of unsound mind by a final order of court; (ii) been convicted of a felony; (iii) been found by a final order or judgment of any court to have breached any duty under Sections 7230 et seq. of the California Non-Profit Corporation Law (relating to the standards of conduct of Directors); or (iv) if the Director fails to attend three consecutive regular meetings of the Board which have been duly noticed in accordance with California Law. Except as otherwise provided in the immediately preceding sentence, a Director may only be removed from office prior to expiration of his term by the affirmative vote of a majority of the voting power of Members represented and voting at a duly held meeting at which a quorum is present (which affirmative votes also constitute a majority of the required quorum) or by written ballot in conformity with Article IV, Section 6 hereof.

(e) No reduction in the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

ARTICLE VIII Board Meetings

Section 1. Place of Meetings. Regular and special meetings of the Board of Directors may be held at any place within the County that has been designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Association.

Section 2. First Meeting. The first Board meeting of the fiscal year shall be held for the purpose of electing officers as prescribed in Article IX, Section 1(o) and Article XI, Section 2, of organization and of transacting other association business. The election of officers shall be the first order of business. If the first Board meeting is held prior to the regular scheduled time, notice shall be given to each Director as outlined in Section 4(a)(b)(i) of this Article.

Section 3. Other Regular Meetings. Other regular meetings of the Board shall be held without call at such time as shall from time to time be fixed by the Board of Directors and communicated to the Board members. Ordinarily, regular meetings shall be conducted at least monthly; provided, however, that regular meetings can be held as infrequently as every three (3) months if the Board's business does not justify more frequent meetings. Notice of the time and place of regular meetings shall be posted in a prominent place within the Common Area.

Section 4. Special Meetings of the Board.

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

(b) Notice of Special Meetings.

(i) Manner of Giving Notice. The time and place of special meetings of the Board shall be given to each Director by one of the following methods: (a) by personal delivery of written notice; (b) by first-class mail, postage prepaid; (c) by telephone communication, either direct to the Director or to a person at either the Director's office or the Director's home who would reasonably be expected to communicate such notice promptly to the Director; or (d) by telegram, charges prepaid. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association. Notice of a meeting need not be given to any Director who signed a written waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at commencement of the meeting, the lack of notice to such Director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes.

(ii) Time Requirements. Notices sent by first-class mail shall be deposited into a United States mailbox at least seven (7) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting; provided, however, that notice of the meeting need not be given to any Director who signed a waiver of notice or a written consent to the holding of the meeting.

(iii) Notice Contents. The notice shall state the time and place for the meeting and the nature of any special business to be conducted.

Section 5. Attendance by Members. All meetings of the Board shall be open to Members of the Association; provided that non-Director Members may only participate in deliberations or discussions of the Board when expressly authorized by a vote of a majority of a quorum of the Board; and provided further that the Board may, upon the vote of a majority of a quorum of its members, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become a party, and orders of business of a similar nature. The general nature of any and all business to be considered in executive session shall first be announced in open session.

Section 6. Quorum Requirements. A majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 8 of this Article VIII. 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 of Directors, subject to the provisions of the California Non-Profit Corporation Law, especially those provisions relating to (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (ii) appointment of committees, and (iii) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors below a quorum, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 7. Waiver of Notice. The transaction of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present, individually or collectively, signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents; and approvals shall be filed with the corporate records or made a part of the minutes of the meeting and shall have the same force and effect as a unanimous vote of the Board. The requirement of notice of a meeting shall also be deemed to have been waived by any Director who attends the meeting without protesting before or at its commencement about the lack of notice.

Section 8. Adjournment. A majority of the Directors present, whether or no constituting a quorum, may adjourn any meeting to another time and place; provided however, that an adjournment for purposes of reconvening in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and orders of business of a similar nature, can only be effected by approval of a majority of a quorum of the Board. The nature of any matter to be considered in executive session must first be announced in open session. If the meeting is adjourned for more than twenty-four (24) hours, notice of adjournment to any other time or place shall be given

prior to the time of the adjourned meeting to the Directors who are not present at the time of the adjournment. Except as hereinabove provided, notice of adjournment need not be given.

Section 9. Action Without a Meeting. Action required or permitted to be taken by the Board of Directors may be taken without a meeting, if five (5) members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board, and an explanation of the action taken shall be posted in a prominent place or places within the Common Area within three (3) days after the written consent of all Board members have been obtained and remain posted for at least ten (10) days.

Section 10. Compensation. Directors and members of committees shall not be entitled to compensation for their services as such, although they may be reimbursed for such actual expenses as may be determined by resolution of the Board of Directors to be just and reasonable.

ARTICLE IX Duties and Powers of the Board

Section 1. Specific Powers. Without prejudice to the general powers of the Board of Directors set forth in Article VII, Section 1, the Directors shall have the power to:

- (a) Exercise all powers vested in the Board under the Articles of Incorporation, these Bylaws, the Declaration, and under the laws of the State of California.
- (b) Appoint and remove all officers of the Association, the Management Agent of the Association, if any, and other Association employees; prescribe any powers and duties for such persons that are consistent with law, the Articles and these Bylaws; and fix their compensation.
- (c) Appoint such agents and employ such other employees, including attorneys and accountants, as it sees fit to assist in the operation of the Association, and to fix their duties and to establish their compensation.
- (d) Subject to the provisions of the Declaration, to adopt and establish rules and regulations governing the use of the Common Areas and Common Facilities and roads within the Properties, and the personal conduct of the Members, their tenants, family members, and guests thereon, and to take such steps as it deems necessary for the enforcement of such rules and regulations, including the imposition of monetary penalties and/or the suspension of voting rights and the right to use any Common Areas or Common Facilities; provided notice and a hearing are provided as more particularly set

forth in Article XII, Section 6 of the Declaration. Rules and regulations adopted by the Board may contain reasonable variations and distinctions as between Owners and tenants.

(e) To enforce all applicable provisions of the Declaration, these Bylaws and all other regulations relating to the control, management, and use of the Lots within the Properties and the Common Areas and Common Facilities and the roads within the Properties.

(f) Contract and pay premiums for fire, casualty, liability and other insurance and bonds (including indemnity bonds) which may be required from time to time by the Association.

(g) Contract for and pay for maintenance, landscaping, utilities, materials, supplies, labor and services that may be required from time to time in relation to the Properties.

(h) Pay all taxes, special assessments and other assessments and charges which are or would become a lien on any portion of the Properties.

(i) To contract for and pay for construction or reconstruction of any portion or portions of the Properties which have been damaged or destroyed and which are to be rebuilt.

(j) If and when the Board deems it appropriate, to delegate its duties and power hereunder to the officers of the Association or to committees established by the Board, subject to the limitations expressed in Section 1 of Article X hereof.

(k) To establish and levy assessments on the Members of the Association and to collect the same, in accordance with the Declaration, and to establish and collect reasonable use charges for any or all of the Common Facilities as the Board may deem necessary or desirable from time to time for the purpose of equitably allocating among the users the cost of maintenance and operation thereof.

(l) To perform all acts required of the Board under the Declaration.

(m) To prepare budgets and maintain a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles, and at no greater than annual intervals prepare an annual financial report, a copy of which shall be delivered to each Member as provided in Article XII, Section 10 hereof.

(n) Unless the governing documents impose more stringent standards, the Board of Directors of the Association shall do all of the following:

(i) Review a current reconciliation of the Association's operating accounts on at least a quarterly basis.

(ii) Review a current reconciliation of the Association's reserve accounts on at least a quarterly basis.

(iii) Review, on at least a quarterly basis, the current year's actual reserve revenues and expenses compared to the current year's budget.

(iv) Review the latest account statements prepared by the financial institutions where the Association has its operating and reserve accounts.

(v) Review an income and expense statement for the Association's operating and reserve accounts on at least a quarterly basis.

(o) To appoint a nominating committee for the nomination of persons to be elected to the Board, and to prescribe rules under which said nominating committee is to act, all as more particularly described in Section 3 of Article VII hereof.

(p) To appoint, at the last meeting of the fiscal year, a member of the Board to conduct the election of officers for the ensuing year as prescribed in Article VIII, Section 2 and Article XI, Section 2. The appointee shall chair the meeting until the President is elected.

(q) To appoint such other committees as it deems necessary from time to time in connection with the affairs of the Association in accordance with Article X hereof.

(r) Fill vacancies on the Board of Directors or in any committee, except as provided under Section 2(e) of this Article.

(s) To open bank accounts and borrow money on behalf of the Association and to designate the signatories to such bank accounts.

(t) To bring and defend actions on behalf of more than one Member or the Association to protect the interests of the Members of the Association, as such, as long as the action is pertinent to the operations of the Association, and to assess the Members for the cost of such litigation.

(u) Subject to the Declaration, to enter Units as necessary in connection with construction, maintenance or emergency repairs for the benefit of the Common Areas, Common Facilities or the Owners in common.

Section 2. Limitations on Powers. Without the vote or written assent of a majority of the Members, the Board of Directors shall not take any of the following actions:

(a) Enter into a contract with a third party for the furnishing of goods or services to the Common Area or the Association for a term longer than one year. This restriction shall not apply to (i) FHA or VA approved management contracts; (ii) public utility contracts where the rates charged for materials or services are regulated by the Public Utilities Commission; provided that the term of the contract may not exceed the shortest term for which the supplier will contract at the regulated rate; (iii) prepaid casualty or liability insurance policies not to exceed three years; provided the policies provide for short rate cancellation by the insured; or (iv) lease agreements for laundry room fixtures and equipment not to exceed five years duration.

(b) Incur aggregate expenditures for capital improvements to the Common Areas in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(c) Sell during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that year.

(d) Pay compensation to members of the Board of Directors; provided that Directors can be reimbursed for reasonable travel expenses, verified in writing, incurred in the discharge of their duties.

(e) Fill any vacancy on the Board created by the removal of a Director by the Membership as set forth in Article VII, Section 5(d).

ARTICLE X Committees

Section 1. Committees of Directors. In addition to the nominating committee appointed and constituted pursuant to Article VII, Section 3(a) of these Bylaws (and the Architectural Committee appointed and constituted pursuant to the Declaration), the Board may, by resolution adopted by a majority of the Directors then in office, designate one or more committees, each consisting of two or more Members (who may also be Directors to serve at the pleasure of the Board, which shall have all the authority of the Board except that no committee, regardless of Board resolution, may:

(a) Take any final action on any matter which, under the Non-Profit Corporation Law of California, also requires approval of the Members.

(b) Fill vacancies on the Board of Directors or in any committee which has been delegated any authority of the Board.

(c) Amend or repeal Bylaws or adopt new Bylaws.

(d) Amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repealable.

(e) Appoint any other committees of the Board of Directors or the members of those committees.

(f) Expend corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.

(g) Approve any transaction (1) to which the corporation is a party and one or more Directors have a material financial interest; or (2) between the corporation and one or more of its Directors or between the corporation or any person in which one or more of its Directors have a material financial interest.

Section 2. Meetings and Actions of Committees. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Article IX of these Bylaws, concerning meetings of Directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

ARTICLE XI Officers

Section 1. Officers. The officers of the Association shall be a President, a Vice President (both of whom shall at all times be members of the Board of Directors), a Secretary and a Chief Financial Officer, and such other officers as the Board may from time to time by resolution create. The Association may also have at the discretion of the Board, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 following. One person may hold two or more offices, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as President. Officers shall serve a one year term.

Section 2. Election of Officers. The officers of the Association, except such officers as may be appointed in accordance with the provisions of Section 3 and 5 following, shall be chosen annually by majority vote of the Board at its first regular meeting each year, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified

to serve, or his successor shall be elected and qualified.

Section 3. Subordinate Officers. The Board may appoint, and may empower the President to appoint, such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws and as the Board may from time to time determine.

Section 4. Removal of Officers. Any officer may be removed, either with or without cause, by the Board at any regular or special meeting, or by any officer upon whom such power of removal may be conferred by the Board; provided, however, that no such officer shall remove an officer chosen by the Board.

Section 5. Resignation of Officers. Any officer may resign at any time by giving written notice to the Board or to the President or to the Secretary. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Association under any contract to which the officer is a party.

Section 6. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the Bylaws for regular appointments to such office. An officer appointed or elected to fill a vacancy shall serve the unexpired term of the predecessor.

Section 7. President. The President shall be elected by the Board from among the Directors. He 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 affairs and officers of the Association. He shall preside at all meetings of the Board, and shall have the general power and duties of management usually vested in the office of president of a corporation, together with such other power and duties as may be prescribed by the Board or the Bylaws.

Section 8. Vice-President. The Vice-President shall be elected by the Board from among the Directors. In the absence or disability of the President, the Vice-President shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. He shall have such other powers and perform such other duties as from time to time may be prescribed by the Board or the Bylaws.

Section 9. Secretary. The Secretary shall keep or cause to be kept at the principal office or such other place as the Board may order, a book of minutes of all meetings of Directors and Members, with the time and place of holding same, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present

at Directors' meetings, the number of Members present in person or by proxy at Members' meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, appropriate current records showing the Members of the Association, together with their addresses. He shall give, or cause to be given, and he shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board or by the Bylaws.

Section 10. Chief Financial Officer. The Chief Financial Officer, who shall be known as 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, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The books of account shall at all reasonable times be open to inspection by any Director or Member. The Treasurer shall deposit 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. He shall disburse the funds of the Association as may be ordered by the Board, shall render to the President and Directors whenever they request it, an account of all of his 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 the Bylaws. If required by the Board, the Treasurer shall give the Association a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of his office and for restoration to the Association of all its books, papers, vouchers, money, and other property of every kind in his possession or under his control on his death, resignation, retirement, or removal from office.

ARTICLE XII Assessments and Finances

Section 1. Description of Assessments to which Owners are Subject. Owners of Units within the Properties are subject to Annual and Special Assessments as more particularly described in Article IV of the Declaration.

Section 2. Creation of the Lien and Personal Obligation of Assessments. The creation of the lien and personal obligation of assessments is governed by Section 1 of Article IV of the Declaration.

Section 3. Purpose and Basis of Assessments. The purpose and basis of assessments is as specified in Sections 1 through 5 of Article IV of the Declaration.

Section 4. Date of Commencement of Assessments: Due Dates. The date of commencement and the due dates of assessments are as specified in Sections 2 through 5 of Article IV of the Declaration.

Section 5. Effect of Non-Payment of Assessments: Remedies of the Association. The effect of non-payment of assessments and the remedies of the Association shall be as specified in Section 9 of Article IV of the Declaration.

Section 6. Subordination of Lien to First Mortgages. The lien of the assessments shall be subordinated to the lien or charge of any first mortgage of record as more particularly described in Section 11 of Article IV of the Declaration.

Section 7. Checks. All checks or demands for money and notes of the Association shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 8. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account" into which shall be deposited the operating portion of all annual and special assessments as fixed and determined for all Members. Disbursements from such account shall be for the general need of the operation including, but not limited to, wages, repairs, betterments, maintenance, and other operating expenses of the Properties.

Section 9. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purposes, including reserve accounts for replacement of capital improvements as more particularly set forth in Section 8 of Article IV of the Declaration.

Section 10. Budgets and Financial Statements. The following financial and related information for the Association shall be regularly prepared and copies thereof shall be distributed to each Member of the Association as follows:

(a) A budget for each fiscal year consisting of at least the following information shall be distributed not less than forty-five (45) or more than sixty (60) days prior to the beginning of the fiscal year.

(i) Estimated revenue and expenses on all accrual basis.

(ii) The amount of the total cash reserves of the Association currently available for replacement or major repair of Common Facilities (and other exterior building surfaces for which the Association is responsible) and for contingencies.

(iii) An itemized estimate of the remaining life of, and the methods of funding to defray repair, replacement or additions to, major components of the Common Areas, Common Facilities and other exterior building surfaces for which the Association is responsible.

(iv) A general statement setting forth the procedures used by the governing body in the calculation and establishment of reserves to defray the costs of repair, replacement or additions to major components of the Common Areas and Common Facilities for which the Association is responsible.

(b) Year-End Report

- (i) A balance sheet as of the end of the fiscal year.
- (ii) An operating (income) statement for the fiscal year.
- (iii) A statement of changes in financial position for the fiscal year.

(iv) For any fiscal year in which the gross income to the Association exceeds \$75,000, a copy of the review of the annual report prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy shall be distributed within one hundred twenty (120) days after the close of each fiscal year. In lieu of the distribution of the financial statement required by subdivision (b), the Board of Directors may elect to distribute a summary of the statement to all its Members with a written notice that the statement is available at the business office of the Association or at another suitable location within the boundaries of the development and that copies will be provided upon request and at the expense of the Association. If any Member requests a copy of the financial statement required by subdivision (b) to be mailed to the Member, the Association shall provide the copy to the member by first-class United States mail at the expense of the Association and delivered within five (5) days.

(v) If the report referred to in this subparagraph (b) is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statement was prepared from the books and records of the Association without independent audit or review.

(c) Annual Statement Regarding Delinquency/Foreclosure Policy. In addition to financial statements, the governing body shall annually distribute not less than forty-five (45) or more than sixty (60) days prior to the beginning of the fiscal year, a statement of the Association's policies and practices in enforcing its remedies against Members for defaults in the payment of regular and special assessments including the recording and foreclosing of liens against Member's Association interests.

ARTICLE XIII
Miscellaneous

Section 1. Inspection of Books and Records.

(a) All books, records, minutes (including minutes of meetings of Committees of the Board), membership lists and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Member at the offices of the Association for any purpose reasonably related to the Member's interest as such. Member's rights of inspection hereunder shall be exercisable on ten (10) days written demand on the Association, which demand shall state the purpose for which the inspection rights are requested. Inspection rights shall be subject to the Association's right to offer a reasonable

alternative to inspection within ten (10) days after receiving the Member's written demands (as more particularly set forth in Sections 8330 and following of the California Non-Profit Corporation Law).

(b) The Board of Directors shall establish reasonable rules with respect to (i) notice of inspection, (ii) hours and days of the week when inspection may be made, and (iii) payment of the cost of reproducing copies of documents requested by the Member.

(c) Every Director shall have an absolute right at any reasonable time to inspect all books, records, documents and minutes of the Association and the physical properties owned by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents.

Section 2. Management Agent. The Board may, from time to time, employ the services of a management agent to manage the affairs of the Association and, to the extent not inconsistent with the laws of the State of California, and upon such conditions as are otherwise deemed advisable by the Board, the Board may delegate to the management agent any of its day-to-day management and maintenance duties and powers under these Bylaws and the Declaration, provided that the management agent shall at all times remain subject to the general control of the Board.

Section 3. Corporate Seal. The Association shall have a seal in circular form having within its circumference the words "Edgewood Homeowners Association, incorporated June 7, 1973".

Section 4. Amendment or Repeal of Bylaws. Except as otherwise expressly provided herein, these Bylaws may only be amended or repealed, and new Bylaws adopted by the affirmative vote or written ballot of fifty-one percent (51%) of the total Membership of the Association; provided that if any provision of these Bylaws requires the vote of a larger proportion or all of the Members, such provisions may not be altered, amended or repealed except by such greater vote, unless otherwise specifically provided herein.

Section 5. Notice of Requirements. Any notice or other document permitted or required to be delivered as provided herein may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered seventy-two (72) hours after a copy of same has been deposited in the United States mail, postage prepaid, addressed as follows: if to the Association or the Board, at the address established by the Board and published from time to time; if to a Director, at the address from time to time given by such Director to the Secretary for the purpose of service of such notice; if to a Member, at the address from time to time given by such Member to the Secretary for the purpose of service of such notice, or, if no such address has been given, to any Unit within the Properties owned by such Member.

Section 6. Construction and Definitions. Unless the context requires otherwise or a term is specifically defined herein, the general provisions, rules of construction, and definitions in the California Non-Profit Mutual Benefit Corporation Law shall govern the

construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, and singular number includes the plural and the plural number includes the singular.

Section 7. Conduct of Association Meetings. The Board of Directors may establish reasonable rules (procedures) for the conduct of meetings by the Membership, subject to the approval of the Membership. The Board of Directors may establish reasonable rules (procedures) for meetings held by the Board. If no such rules are so established, procedures outlined in the Scott Foresman Robert's Rules of Order Newly Revised shall be followed.

CERTIFICATE OF SECRETARY

KNOW ALL MEN BY THESE PRESENTS:

The undersigned, secretary of the corporation known as Edgewood Homeowners Association, does hereby certify that the above and foregoing Restated Bylaws consisting of 27 pages, were duly adopted by written ballot of the Members of said Association on the 18 day of April 1990, and that they now constitute said Bylaws.

EDGEWOOD HOMEOWNERS ASSOCIATION,
a California non-profit mutual benefit corporation

By *Fuelyn W. Traber*
(Secretary)

