

**SECOND RESTATED  
BYLAWS  
OF  
GLENSHIRE/DEVONSHIRE RESIDENTS' ASSOCIATION**

**"If this document contains any restriction based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code by submitting a "Restrictive Covenant Modification" form, together with a copy of the attached document with the unlawful provision redacted to the county recorder's office. The "Restrictive Covenant Modification" form can be obtained from the county recorder's office and may be available on its internet website. The form may also be available from the party that provided you with this document. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."**

**SECOND RESTATED BYLAWS**

**OF**

**GLENSHIRE/DEVONSHIRE**

Dear Glenshire/Devonshire Property Owner:

The Glenshire/Devonshire Residents Association is proud to provide you with a copy of the Restated Governing Documents.

Nestled in the pines of Union Valley, while straddling the "Old Lincoln Highway", Glenshire/Devonshire is a ten minute drive to Historic Downtown Truckee or a thirty minute drive to Reno, Nevada. Our location provides an abundance of recreational options for all seasons at nearby Donner Lake and Lake Tahoe.

Glenshire/Devonshire is a planned community for single family residential homes. It consists of 4 units with 1357 individually owned properties and 200 acres of "open space". Unit 1 started development in July of 1969, followed by Unit 2 in September of 1969, Unit 3 in March of 1970, and Unit 4 completing the subdivision in July of 1971.

Amenities include a beautifully landscaped clubhouse with a newly remodeled kitchen perfect for small and large gatherings, two tennis courts, court basketball, swimming pool, wading pool, playground, and lawn area all overlooking a lake.

All properties within the Glenshire/Devonshire Residents Association are subject to recorded deed restrictions. These agreements are binding contracts that run with the land. Therefore, each property owner is legally bound to abide by all recorded documents and adopted policies such as the Design Review Rules and Regulations for all external improvements. These rules and regulations are in place to protect the individual properties. It is the responsibility of each homeowner to protect the aesthetics and harmony of the community.

The Glenshire/Devonshire Residents Association prides itself on the fact that our Governing Documents reflect not only what is required by law, but what our members desire for a consistent, equitable rule enforcement philosophy based on common sense.

We are very proud of our home and hope you will be too!

If you have any questions after reviewing our documents, please call the Association Office at (530) 587-6202. We will be happy to discuss the information contained in this booklet.

Glenshire/Devonshire Residents Association  
Board of Directors

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## ARTICLE I Recitals and Definitions

**Section 1. Name of Association.** The name of this corporation is Glenshire/Devonshire Residents Association and shall be referred to herein as the "Association."

**Section 2. Association Is Nonprofit.** The Association has been formed pursuant to the California Nonprofit Mutual Benefit Corporation Law (Cal. Corp. Code, 7110 et seq.).

**Section 3. Specific Purposes.** The specific and primary purposes of this Association shall be (a) to own, repair, maintain and manage the Common Area and Common Facilities within that certain real estate common interest development located in the County of Nevada, State of California, and commonly referred to as Glenshire/Devonshire, (b) to enforce the Rules and Regulations adopted by the Board of Directors, from time to time, and the terms and conditions of the Declaration, and (c) to otherwise enhance and promote the use and enjoyment of the Common Areas and Common Facilities by the Owners in common.

### **Section 4. Definitions.**

(a) **County.** "County" means the County of Nevada, State of California.

(b) **Declaration.** "Declaration" means all limitations, restrictions, covenants, terms and conditions set forth in the First Restated Declaration of Covenants, Conditions and Restrictions recorded in the Office of the Nevada County Recorder with respect to the Properties as Document No. 98013466, Official Records of said County, as such Declaration may from time to time be supplemented, amended or modified by a subsequent Declaration, or amendment thereto, duly recorded in said Recorder's Office.

(c) **Majority of a Quorum.** "Majority of a Quorum" means the vote of a majority of the votes cast at a meeting or by written ballot when the number of Members attending the membership meeting or the number of ballots cast equals or exceeds the quorum requirement specified in article V, section 5. Any Member may be represented at a membership meeting by proxy (see article V, section 5, below).

(d) **Person.** "Person" means and includes any individual, corporation, partnership, association or other entity recognized by the laws of the State of California.

(e) **Voting Power.** "Voting Power" means those Members who are eligible to vote for the election of directors or with respect to any other matter, issue or proposal properly presented to the Members for approval at the time any determination of voting power is made.

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

## ARTICLE II Location of Principal Office

The principal office of the Association will be located at such place within the Properties as the Board may from time to time designate by resolution.

## ARTICLE III Membership

**Section 1. Members of the Association.** Every Owner of a Lot within the Properties is a Member of the Association. Membership in the Association is appurtenant to, and may not be separated from, ownership of any Lot.

**Section 2. Term of Membership.** Each Owner shall remain a Member until he or she no longer qualifies as such under section 1 above. Upon the sale, conveyance or other transfer of an Owner's interest in a Lot, the Owner's membership interest appurtenant to the Lot shall automatically transfer to the Lot's new Owner(s).

**Section 3. Multiple Ownership of Lots.** Ownership of a Lot shall give rise to a single membership vote in the Association. Accordingly, if more than one person owns a Lot, all of said persons shall be deemed to be a single Member for voting purposes. When record title to a Lot is vested in more than one Owner, any one of the multiple Owners shall be entitled to vote the membership, unless the secretary of the Association is notified in writing of the Owner designated by his or her co-Owners as having the sole right to vote the membership on their behalf. If such notification does not occur and more than one of the multiple Owners votes a membership, the secretary of the Association or the Inspector of Elections, if one is appointed, shall be entitled to disregard the vote of that membership (although the membership may still be counted for purposes of establishing a quorum). In order to avoid an overburdening of recreational Common Facilities and to help assure that the Association is responsibly managed, the Board of Directors shall be authorized and empowered to adopt policies establishing a reasonable minimum percentage of ownership in a Lot for purposes of a co-owner's entitlement to access and use recreational Common Facilities or to be eligible for nomination and election to the Board.

**Section 4. Furnishing Evidence of Membership.** A person shall not be entitled to exercise the rights of a Member until such person has advised the secretary in writing that he or she is qualified to be a Member under section 1 above, and, if requested by the secretary, has provided the secretary with evidence of such qualification in the form of a certified copy of a recorded grant deed or a currently effective policy of title insurance. Exercise of membership rights shall be further subject to the rules regarding record dates for notice, voting and actions by written ballot and eligibility for voting set forth in article V, section 8, hereof.

## 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 Lot 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.** Only Members in good standing shall be entitled to vote at any membership meeting. In order to be in good standing, a Member must be current in the payment of all assessments levied with respect to the Member's Lot to which the assessment obligation is appurtenant and the Member cannot be subject to a suspension of voting privileges or other disciplinary measure (such as a suspension of rights to use recreation amenities) as a result of any disciplinary proceeding conducted in accordance with article XIII, section 6 of the Declaration. A Member's good standing shall be determined as of the record date established in accordance with article V, section 8 hereof. The Association shall not be obligated to conduct a hearing in order to suspend a Member's voting privileges on the basis of the nonpayment of assessments, although a delinquent Member shall be entitled to request such a hearing in accordance with the Declaration. When a person owns more than one Lot within the Properties, that person's eligibility to vote may be suspended as to any Lot for which assessments are delinquent, however the right to vote memberships appurtenant to Lots which are not delinquent shall continue. In addition, an Owner who is delinquent as to some Lots owned may be suspended from all use of recreational Common Facilities until the delinquencies are cured, even if the same Owner is current in the payment of assessments on other Lots.

**Section 4. Manner of Casting Votes.**

(a) **Voting at Membership Meetings.** Voting at any membership meeting may be by voice or by ballot; provided, however, that the voting in any election of directors shall be conducted by secret ballot. The vote on any other issue properly before a meeting of the Members shall be conducted by secret ballot when determined by the chairman of the meeting, in his or her discretion, or when requested by 10 percent of the Members present at the meeting.

(b) **Voting by Written Ballot.** In addition to voting in person or by proxy at a meeting, Members' votes may be solicited by written ballot with respect to any issue other than the election of directors in accordance with section 6 of this article.

(c) **Proxy Voting.** Members otherwise eligible to vote at a meeting may do so in person or by proxy issued as provided in section 5 of this article.

(d) **Cumulative Voting.** Cumulative voting shall not be permitted.

**Section 5. Proxies.**

(a) **Proxies Generally.** Any Member entitled to vote at a meeting of the Members 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 11 months from the date of issuance, unless otherwise provided in the proxy, except that the maximum term of any proxy shall be three years from the date of execution. Proxy forms shall be dated to assist in verifying their validity.

(b) **Effectiveness of Proxies.** Every proxy continues in full force and effect until revoked by the issuing Member prior to the vote pursuant thereto subject to the maximum term of a proxy set forth in subparagraph (a), above. 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 to the meeting; or (iii) as to any meeting, by attendance at such meeting

and voting in person by the Member executing the proxy. The dates contained on the forms of proxy presumptively determine 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 an Owner of a Lot as provided in article III, section 1 above.

(c) **Validity of Proxies With Respect to Certain Material Transactions.** Any proxy given with respect to any of the matters described in this subparagraph (c) shall be valid only if the proxy form sets forth a general description of the nature of the matter to be voted on. The matters subject to this requirement are:

- (i) Removal of directors without cause;
- (ii) Filling of vacancies on the Board;
- (iii) Approval 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 financial interest;
- (iv) Amendment of the Articles of Incorporation, these By-laws or the Declaration;
- (v) Action to change any Association Assessments in a manner requiring membership approval under the Declaration;
- (vi) 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;
- (vii) Merger of the Association or an amendment to an agreement of merger; and
- (viii) Voluntary dissolution of the Association.

(d) **Limited Proxies.**

(i) Any form of proxy distributed to 10 or more Members must afford an opportunity on the proxy to specify a choice between approval or disapproval of any matter or group of related matters intended, at the time the proxy is distributed, to be acted upon at the meeting for which the proxy is solicited. If the form of proxy lists one or more matters to be acted upon and the issuer of the proxy has specified a choice with respect to any such matter (including a preference in voting for candidates for election to the Board), the proxy holder shall be obligated to cast the vote represented by the proxy in accordance with the issuer's designated preference.

(ii) In accordance with subparagraph (d)(i), above, if the election of directors is to be conducted at a meeting of the Members (rather than by written ballot in accordance with section 6, below) proxies distributed in connection with the election of directors shall set forth the names of all individuals who are candidates for election of the Board of Directors at the time the proxy is issued. The proxy form shall contain boxes or lines where the issuing Member can express his or her voting preference. If the proxy 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, the proxy holder shall not vote the proxy 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 proxy holder shall vote in accordance with the direction of the proxy issuer.

(e) **Restriction or Elimination of Proxy Rights; Limitation on Authority.** 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 a Quorum of

the Members.

(f) **Proxy Rules for Memberships Held by More Than One Person.** Where two or more persons constitute a Member, any proxy with respect to the vote of such Member may be signed by one or more of such persons so long as no more than one proxy is issued with respect to any single membership.

#### **Section 6. Action by Written Ballot Without a Meeting.**

(a) **Definition of Written Ballot.** A "written ballot" is a ballot which is mailed or otherwise distributed to every Member entitled to vote on the matter and which complies with the requirements of this section. The term "written ballot" does not include a ballot distributed to Members at a meeting for purposes of conducting a vote of the Members at such meeting.

(b) **Written Ballots, Generally.** Any matter or issue requiring the vote of the Members, including the election of directors, may be submitted for vote by written ballot without the necessity of calling a meeting of the Members, so long as the requirements for action by written ballot set forth in this section are met. The determination to seek Member approval for Association actions in this fashion shall be made by a majority vote of the Board. Once the determination is made to seek Member approval by written ballot, the Board shall establish a record date (see article V, section 8(a)(iii) hereof) and distribute a written ballot to every Member entitled to vote on the matter. This distribution shall be made consistent with the time requirements specified in subparagraph (d), below.

(c) **Content of Written Ballots.** Any written ballot distributed to the Members to vote on any issue other than the election of directors shall set forth the proposed action and provide an opportunity to specify approval or disapproval of the proposal. If directors are to be elected by a written ballot election, the written ballot shall set forth the names of each candidate who has been nominated for election at the time the ballot is distributed, as well as a space for a write-in candidate.

(d) **Balloting Time Requirements.** Written ballots shall be distributed to all eligible Members at least 30 days prior to the final date the written ballots must be received by the Association in order to be counted. All written ballots shall provide a reasonable time within which to return the written ballot to the Association and shall state on the face of the ballot 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 written ballots may only be extended if the Board so notifies the Members on the face of the ballot or in the balloting solicitation materials originally sent to Members and then for no more than two successive periods of thirty days each.

(e) **Requirements for Valid Member Action by Written Ballot.** Membership approval by written ballot shall only be valid if: (i) the number of votes cast by ballot within the time established for return of the ballots equals or exceeds the quorum (as specified in article V, section 5), that would have been required to be present at a membership meeting if such a meeting had been convened to vote on the proposal; and (ii) the number of affirmative votes equals or exceeds the number of affirmative votes that would have been required to approve the action at such a meeting.

(f) **Solicitation Rules.** Written ballots shall be solicited in a manner consistent with the requirements of article V, section 4, pertaining to issuance of notices of Members' meetings. All solicitations of written ballots shall indicate: (i) the number of responses needed to meet the quorum requirement for valid action;

(ii) the time by which the written ballot must be received by the Association in order to be counted; and (iii) the percentage of affirmative votes necessary to approve the measure.

(g) **Additional Balloting Procedures.** If deemed necessary by the Board, the written 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 public accountants of good repute who may also be retained to supervise the secrecy and conduct of the balloting process.

(h) **Notification of Results of Balloting Process.** Upon tabulation of the written ballots, the Board shall notify the Members of the outcome of the vote within 30 days following the close of the balloting process and tabulation of the ballots. If the number of written ballots cast with respect to any matter is insufficient to satisfy the minimum quorum requirements, the Board shall so notify the Members.

(i) **Prohibition of Revocation.** Once exercised, a written ballot may not be revoked.

(j) **Conduct of Informational Meetings.** Use of the written ballot procedures set forth herein shall not preclude the Association from also conducting informational meetings of the Members or from scheduling a meeting to coincide with the culmination of the balloting period.

**Section 7. Majority Vote of Members Represented at Meeting Required for Valid Action.** At a meeting, the affirmative vote of a Majority of a Quorum of the Members who are 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 the California Nonprofit Mutual Benefit Corporation Law or by the Governing Documents. In the case of director elections, 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.

**Section 8. Action by Unanimous Written Consent.** Any action required or permitted to be taken by the Members at a meeting, may be taken without a meeting (and without complying with the formalities of a written ballot) if all Members shall individually or collectively consent in writing to the action. If action is taken by written consent, the consent(s) shall be filed with the Association's minutes.

### **ARTICLE V Membership Meetings**

**Section 1. Place of Meeting.** Meetings of the Members shall be held 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.

**Section 2. Annual Meeting.** There shall be an annual meeting of the Members in the month of September of each year. The date, time and location of the meeting shall be established by the Board and set forth in the notice of meeting sent to the Members in accordance with section 4, below.

#### **Section 3. Special Meetings.**

(a) **Persons Entitled to Call Special Meetings.** A majority of the Board, the president or 5 percent or more of the Members may call special meetings of the Members at any time to consider any lawful business of the Association.

(b) **Procedures for Calling Special Meetings Requested by Members.** If a special meeting is called by Members other than the Board of Directors or the 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 personally or sent by first-class, certified or registered mail or by telegraphic or other facsimile transmission to the president, any 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, that a meeting will be held, and the date, time and purpose for such meeting, which date shall be not less than 35 nor more than 90 days following the receipt of the request.

If notice of the meeting is not given within the 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 meeting of Members may be held when the meeting is called by action of the Board of Directors or the president.

#### **Section 4. Notice of Members' Meetings.**

(a) **Requirement That Notice Be Given.** Notice of all regular and special meetings of the Members shall be sent or otherwise given in writing to each Member who is eligible to vote at the meeting as of the record date for notice established in accordance with section 8 of this article.

(b) **Time Requirements for Notice.** The notice of membership meetings shall be given in the manner specified in subparagraph (c) of this section, not less than 10 nor more than 90 days before the date of the meeting. If notice is given by mail and the notice is not given by first-class, registered or certified mail, the notice shall be given not less than 20 days (nor more than 90 days) before the meeting.

(c) **Minimum Requirements Regarding Content of Notice.** The notice of any membership meeting 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 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. If it is anticipated that less than one-third of the Members are likely to attend the meeting in person or by proxy, additional notice requirements apply. See section 5 of this article.

(d) **Specification of Certain Significant Actions.** If action is proposed to be taken at any membership 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 or consent 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 6(d) of these Bylaws;

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

(iv) Approving a contract or 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 terminate and dissolve the Association.

(e) **Manner of Service.** Notice of any meeting of Members shall be given either personally or 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 Association 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 to the Association's principal office; or (ii) notice is published at least once in a newspaper of general circulation in the County. Notice shall be deemed to have been given at the time the notice is delivered to the Member personally or deposited in the mail (postage prepaid) or sent by telegram or other means of written or electronic communication to the Member as specified above.

(f) **Affidavit of Mailing.** 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 that proper notice was given.

#### **Section 5. Quorum Requirements.**

(a) **Quorum Requirements Generally.** The following quorum requirements must be satisfied in order to take valid action at any meeting of the Members or by written ballot in accordance with article IV, section 6 of these Bylaws:

(i) **Quorum for Votes on Assessment Increases.** In the case of any membership meeting or written ballot called or conducted for the purpose of voting on assessment increases requiring membership approval (see article IV of the Declaration), the quorum requirement for valid action on the proposal shall be the percentage specified in section 1366 of the Civil Code or comparable successor statute. That quorum percentage is currently a majority of the Members.

(ii) **Quorum for Valid Action on Other Matters.** In the case of a membership meeting or written ballot called or conducted for any other purpose, the quorum shall be twenty-five percent (25%) of the Members eligible to vote and represented in person or by proxy at the meeting or casting a written ballot; provided, however, that if any regular membership meeting is actually attended, in person or by proxy, by less than one-third of the Voting Power of the Association (but a quorum is present), the only matters upon which action may validly be taken are those matters the general nature of which were described in the notice of the meeting.

(b) **Members Represented By Proxy.** Members present at a membership meeting in person or by proxy shall be counted towards satisfaction of the quorum requirements specified herein.

(c) **Effect of Departure of Members From Meeting.** The Members present in person or by proxy at a duly called or duly held meeting at which a quorum is present may continue to trans-



act business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, so long as any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum. If a quorum is never established for the meeting, a majority of those Members who are present may vote to adjourn the meeting for lack of a quorum, but no other action may be taken or business transacted.

#### **Section 6. Adjourned Meeting.**

(a) **Adjournment, Generally.** Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned to another time and/or place (but not for more than 45 days) by the vote of the majority of Members present at the meeting, either in person or by proxy. Unless there is an absence of a quorum (in which case no business other than adjournment may be transacted), the reconvened meeting may take any action which might have been transacted at the original meeting.

(b) **Notice Requirements for Adjourned Meetings.** 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 rescheduled 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) **Waivers and Consents, Generally.** If decisions are made or action is otherwise taken by the Members at a meeting where a quorum is present, but for which proper notice was not given to all Members for whatever reason, the decisions or actions made at that meeting will be valid if, either before or after the meeting, each person entitled to vote who was not present at the meeting (in person or by proxy) consents to the meeting by signing: (i) a written waiver of notice; (ii) a consent to holding the meeting; or (iii) an approval of the minutes. The waiver of notice or consent need not specify the purpose or general nature of business to be transacted at such meeting unless action was taken or is proposed to be taken at the meeting with respect to any matters specified in section 4(d) of this article, in which case, the waiver of notice or consent must state the general nature of such matter(s). All such waivers, consents or approvals shall be filed with the Association records or be made part of the minutes of the meeting.

(b) **Effect of a Member's Attendance at a Meeting.** Attendance by a Member or his or her proxy holder at a meeting shall also constitute a waiver of any objections such person may have with respect to notice of that meeting, except when the Member or proxy holder attends the meeting for the sole purpose of objecting at the beginning of the meeting to the transaction of any business due to the inadequacy or illegality of the notice. Attendance at a meeting 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(d) of this article, if that objection is expressly made at the meeting.

#### **Section 8. Record Dates for Member Notice, Voting and Giving Consents.**

(a) **Record Dates Established By the Board of Directors.** 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 Nonprofit Mutual Benefit Corporation Law. The record dates established by the Board pursuant to this section must be in accordance with the following requirements:

(i) **Record Date for Notice of Meetings.** In the case of determining those Members entitled to notice of a meeting, the record date shall not be more than 90 days nor less than 10 days before the date of the meeting;

(ii) **Record Date for Voting.** In the case of determining those Members entitled to vote at a meeting, the record date shall not be more than 60 days before the date of the meeting;

(iii) **Record Date for Action By Written Ballot Without Meeting.** In the case of determining Members entitled to cast written ballots, the record date shall not be more than 60 days before the day on which the first written ballot is mailed or solicited; and

(iv) **Record Date for Other Lawful Action.** In the case of determining Members entitled to exercise any rights in respect to other lawful action requiring Member approval, the record date shall not be more than 60 days prior to the date of such other action.

(b) **Failure of Board to Fix a Record Date.** If the Board, for any reason, fails to establish a record date, the following rules shall apply:

(i) **Record Date for Notice of Meetings.** The record date for determining those Members entitled to receive notice of a meeting of Members, 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.** 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.** The record date for determining those Members entitled to vote by written ballot on proposed Association 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 or solicited. 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.** The record date for determining those Members entitled to exercise any rights in respect to any other lawful action shall be Members at the close of business on the day on which the Board adopts the resolution relating thereto, or the 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 subparagraph (b) a person holding a membership as of the close of business on the record date shall be deemed to be 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 by Members and Family.** Each Member and the members of his or her Family who also reside in the Member's Residence shall be entitled to the use and enjoyment of all Common Areas and Common Facilities within the Properties, subject to the following:

(a) The right of the Association to suspend voting and/or other membership privileges as a disciplinary measure, so long as the Member is given the notice and hearing rights more particularly described in Article XIII of the Declaration.

(b) The right of the Association to charge reasonable admission or user fees for use of recreational Common Facilities.

(c) The obligation of each Member to comply with the property use restrictions, architectural approval, and other rules and regulations imposed by the Governing Documents.

### **Section 2. Tenants and Lessees.**

(a) **Assignment of Rights, Generally.** Each Member shall have the right to assign his or her rights as a Member (other than voting rights) to a tenant residing within the Member's Residence. With the exception of short-term tenancies, the Association may require that the Member leasing the Residence provide the Association with a written delegation to the Member's tenant of the Member's rights of use and enjoyment of Common Area recreation facilities. For this purpose, the Association has a delegation of rights to tenants form available in the Association's office. Any delegation of user privileges to a tenant shall only be effective so long as said tenant is residing in said Residence and is in compliance with the Declaration and the Association 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 the Governing Documents. Without limiting the foregoing, reference is specifically made to article II, section 3 of the Declaration for additional tenant and lease restrictions.

(b) **Restriction on Lessor's Use of Certain Common Areas and Facilities.** During the period of any lease or rental of a Lot, any Owner not residing within the Properties shall not be entitled to use the recreational Common Areas or Common Facilities, except to the extent reasonably necessary to perform the usual responsibilities of a landlord or to ensure or gain compliance by the tenant with the requirements of these Bylaws and the Declaration, unless the Lessor-Owner is contemporaneously residing on another Lot within the Properties.

**Section 3. Invitees and Guests.** The invitees and guests of a Member shall have the right to use, Common Areas and Common Facilities within the Properties, if the invitee or guest has been given a guest card by the host Member. Any such guest or invitee shall be subject to the same obligations imposed on the Member to observe the rules, restrictions and regulations of the Association as set forth in the Governing Documents.

**Section 4. Association Rules and Regulations.** The right of any person to use and enjoy the Common Areas and Common Facilities shall at all times be subject to the rules, limitations and restrictions set forth herein, in the Declaration and in the Association's published rules and regulations as promulgated by the

Board from time to time. 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 to comply with any other rule or regulation imposed upon such Member, his or her tenants or guests, pursuant to the Governing Documents; 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 Association Powers.** Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law, the Davis-Stirling Common Interest Development Act (Cal. Civ Code, 4000 et seq.) and any limitations contained in any of the Governing Documents 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. 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 Association powers shall continue to be exercised under the ultimate direction of the Board.

**Section 2. Number and Qualification of Directors.** The Board of Directors shall consist of five (5) persons who shall be Owners of Lots who reside within the Properties and whose memberships are in good standing with all Assessments current and are not subject to any suspension of membership rights. Only one Owner per Lot shall be eligible to serve on the Board at any time.

**Section 3. Term of Office.** The Directors of this Association shall serve for a term of two (2) years with three (3) directors elected in odd-numbered years and two (2) directors elected in even-numbered years. There shall be no limitation upon the number of consecutive terms to which a director may be reelected. Each director, including a director elected to fill a vacancy or elected at a special meeting of Members, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

**Section 4. Nomination of Directors.** It is not the current practice of the Association to recruit candidates for election as directors of the Association through the use of a Nominating Committee. Instead, the Association advertises an election in the newsletter or sends a separate mailing at least 45 days in advance, inviting any member in good standing to submit his or her name as a candidate for election, together with an executed copy of the Association's candidacy application (which includes a conflict disclosure statement). In August of each year the Association conducts a candidates' night to provide candidates with the opportunity to present a statement of their qualifications and what the candidate perceives as the principal issues facing the Association. The election is then conducted at the annual membership meeting in September and any Member in good standing at that

meeting may nominate candidates from the floor. The annual election ballot shall include a line where Members can write in a candidate's name.

In order to be eligible for nomination and election to the Board, the Association secretary must certify that the candidate is a Member in good standing with the Association and is current in the payment of his or her Assessments, both at the time of nomination and election.

#### **Section 5. Election of Directors.**

(a) **Directors Elected at Annual Meeting.** At the annual meeting of the Members in September of each year, the Members present in person or by proxy 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 4 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.

(b) **Determination of Election Results/Succession to Office.** The candidates receiving the highest number of votes shall be elected as directors and shall take office at the first organizational meeting of the Board which shall take place within five days following the date of election. In the event there is a tie vote between those candidates who receive the lowest number of votes necessary to qualify the candidate for election, the tie shall be broken by lot.

(c) **Supervision of Election Process.** In order to insure secrecy of ballots and fairness in the conduct of director elections, the Board may, but shall not be obligated to, utilize the services of the Association's legal counsel or a Certified Public Accountant to receive and tabulate all ballots (both absentee ballots and ballots cast in person by Members attending the meeting at which the election takes place). Any accountant retained to perform such services shall have the full powers of an inspector of elections appointed by the Board pursuant to section 7614 of the California Corporations Code.

#### **Section 6. Vacancies on Board of Directors.**

(a) **Vacancies, Generally.** A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of any of the following: (i) the death, resignation or removal of a director pursuant to subparagraphs (c) and (d) hereof; (ii) an increase of 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.

(b) **Resignation of Directors.** Except as provided in this subparagraph, 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 specifies 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 elect a successor to take office when the resignation becomes effective.

(c) **Authority of Board to Remove Directors.** The Board of Directors shall have the power and authority (but not the obligation) to remove a director and declare his or her office vacant if he or she: (i) has been declared of unsound mind by a final order of court; (ii) has been convicted of a felony; or (iii) fails to attend three consecutive regular meetings of the Board of Directors which have been duly noticed in accordance with California Law. Notwithstanding the foregoing authority to remove a director for

his or her failure to attend Board meetings, the Board may grant a director a leave of absence if the Board determines that such a leave will not adversely affect the Association's operations. If a leave is granted, the absent director shall continue to have all other duties and responsibilities associated with his or her position as a director and shall receive all notices and other communications of any kind distributed to the Board.

(d) **Authority of Members to Remove Directors.** Except as otherwise provided in subparagraph (c) hereof, a director may only be removed from office prior to expiration of his or her term by the affirmative vote of a Majority of a Quorum of the Members.

(e) **Filling of Vacancies.** Vacancies on the Board of Directors shall be filled by a majority vote of the remaining directors though less than a quorum, or by a sole remaining director unless the vacancy is created through removal of a director by action of the Members in which case the vacancy shall be filled by a vote of the Members. Furthermore, the Members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors by an election at a duly held meeting of the Members or written ballot; provided, however, that the Board, in its discretion, can elect to leave a seat vacant if an election to fill the vacancy will occur in the ordinary course of business within a period of 60 days (from the date when the seat is vacated).

(f) **Reduction in Number of Directors.** No reduction of 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; Conduct of Meetings By Telephone or Electronic Equipment.**

(a) **Conduct of Meetings, Generally.** Regular and special meetings of the Board of Directors may be held at any place within the Properties that has been designated from time to time by resolution of the Board and stated in the notice of the meeting. In the absence of such designation, regular meetings shall be held at the principal office of the Association. Notwithstanding the above provisions of this section, a regular or special meeting of the Board may be held at any place consented to in writing by all the Board members, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting.

(b) **Meetings by Conference Telephone or Other Communications Equipment.** Members of the Board may participate in a meeting through the use of conference telephone, electronic video screen communications, or other communications equipment so long as the following conditions are satisfied: (i) each member participating in the meeting can communicate with all of the other members concurrently; (ii) each member is provided the means of participating in all matters before the board, including the capacity to propose, or to interpose an objection, to a specific action to be taken by the corporation; (iii) the corporation adopts and implements some means of verifying that the person participating in the meeting are, in fact, the directors and that all statements, questions, actions, or votes are made by directors and not by other persons.

**Section 2. Annual Meeting of Directors.** Within one week following each annual meeting of Members, the Board of Directors shall hold a regular meeting for the purpose of organization, elec-

tion of officers, and the transaction of other business. Notice of this meeting shall be given.

### **Section 3. Other Regular Meetings.**

(a) **Frequency or 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 six months if the Board's business does not justify more frequent meetings.

**Section 4. Special Meetings of the Board.** Special meetings of the Board of Directors for any purpose may be called at any time by the president or any two directors.

### **Section 5. Notice of Regular and Special Meetings.**

#### **(i) Manner of Giving.**

(A) **Notice to the General Membership.** Notice of the time and place of any meetings of the Board of Directors other than emergency meetings shall be given to the members at least four days prior to the date of the meeting by either posting the notice in a prominent place or places within the common area, by mail, or by personal delivery, or by printing the notice in the Association's newsletter.

(B) **Notice to Directors of Regular Meetings.** In addition, if the Board has not fixed the time and location for regular meetings, notice shall be communicated to each of the Board members not less than four days prior to the meeting.

(C) **Notice to Directors of Special Meetings.** Notice of the time and place of any special meeting of the Board, including emergency meetings, as defined below, shall be given to each member of the Board four days in advance of the meeting if provided by first-class mail or 48 hours prior to the meeting if the notice is given by personal delivery, by telephone, or by a voice messaging system or other technology designed to record and communicate messages, facsimile transmission, electronic mail, or other electronic means. For purposes of this subparagraph, an "emergency meeting" of the Board means a meeting called by the president or by any two members of the Board under circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the Board and which of necessity make it impracticable to provide prior notice to the Members as required by the Open Meeting Act (see section 6, below).

All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Association.

(ii) **Effect of Director's Waiver of Notice and Consent to Meeting.** Notice of a meeting need not be given to any Board member who has signed a written waiver of notice or consent to holding the meeting as more particularly provided in section 8 of this article.

(iii) **Notice Contents.** The notice of any meeting of the Board of Directors shall state the time, place, and purpose of the meeting.

**Section 6. Attendance by Members; Common Interest Development Open Meeting Act Provisions.** The following provisions reflect the California Common Interest Development Open Meeting Act (California Civil Code section 5100- 5300 (the "Open Meeting Act")):

(a) **Meetings Generally Open to Members.** With the excep-

tion of executive sessions of the Board (see subparagraph (b) of this section), and any meetings conducted by conference telephone, any member of the Association may attend meetings of the Board of Directors. For purposes of the Open Meeting Act, the term "meeting" includes any congregation of a majority of the members of the Board at the same time and place to hear, discuss, or deliberate upon any item of business scheduled to be heard by the Board, except those matters that may be discussed in executive session.

(b) **Right of Members to Speak at Meetings.** The Board of Directors shall permit any Member to speak at any meeting of the Members or of the Board of Directors, except for Board meetings that are held in executive session pursuant to subparagraph (c), below. Reasonable time limitations can be imposed by the Board or the chairman of the meeting on presentations or statements by Members and, in the case of Board meetings, the agenda for the meeting can designate a specific time for Member statements and comments.

(c) **Executive Sessions.** The Board, on the affirmative vote of a majority of the directors present at a meeting at which a quorum has been established, shall be entitled to adjourn at any time for purposes of reconvening in executive session to discuss: (i) litigation in which the Association is or may become a party; (ii) matters relating to the formation of contracts with third parties; (iii) Member discipline; or (iv) personnel matters. The Board must meet in executive session if requested by a Member who may be subject to a fine, penalty, or other form of discipline and the Member who is the subject of the disciplinary proceeding shall be entitled to attend the executive session. Any matter discussed in executive session shall be generally noted in the minutes of the Board meeting, taking into consideration the need to maintain confidentiality.

(d) **Board Meeting Minutes.** The proposed minutes for adoption that are marked to indicate draft status or a summary of the minutes of any meeting of the Board of Directors, other than minutes of an executive session, shall be available to the Members within 30 days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any Member upon request and upon reimbursement of the Association's costs in making that distribution. Members shall be notified in writing at the time that the pro forma budget required by section 11.5 of these Bylaws is distributed or at the time of any general mailing to the entire membership of the Members' right to have copies of the minutes of any Board meeting and how and where those minutes may be obtained.

(e) **Members' Right to Notice of Meetings.** Unless the time and place of meeting is fixed by the Bylaws, or unless the Bylaws provide for a longer period of notice, Members shall be given notice of the time and place of a Board meeting (as defined in subparagraph (a) of this section), except for "emergency meetings", as more particularly provided in section 5, above.

**Section 7. 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. 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 Nonprofit Mutual Benefit 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, or such greater number as is required by these Bylaws, the Articles or by law.

**Section 8. 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 Association 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 the lack of proper notice either before or at the inception of the meeting.

**Section 9. Adjournment.** A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 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 10. Action Without a Meeting.** Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all 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 an 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 shall have the same force and effect as a unanimous vote of the Board. If prompt or immediate action of the Board is necessary and there is insufficient time to comply with the notice requirements set forth herein, reasonable efforts shall nevertheless be made to contact all Board members regarding the proposed action in advance thereof, rather than relying upon notification after the fact.

**Section 11. Compensation.** Directors, officers 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. Expenses for which reimbursement is sought shall be supported by a proper receipt or invoice.

## **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 Governing Documents and under the laws of the State of California.

(b) Appoint and remove all officers of the Association and the Association's general manager (subject to any contractual commitments which may exist); prescribe any powers and duties for such persons that are consistent with law, the Articles of Incorporation and these Bylaws; and, in the case of the general manager, determine his or her terms of employment, including 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) Adopt and establish rules and regulations subject to the provisions of the Declaration, governing the use of the Common Areas and Common Facilities within the Properties, and the personal conduct of the Members and their guests thereon, and 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 XIII, section 6 of the Declaration. Rules and regulations adopted by the Board may contain reasonable variations and distinctions as between Owners and tenants.

(e) Enforce all applicable provisions of the Governing Documents relating to the control, management, and use of the Lots, Common Areas and Common Facilities within the Properties.

(f) Contract for 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 Common Areas.

(i) 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) Delegate its duties and powers 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) Levy and collect Assessments from the Members of the Association in accordance with the Declaration and establish and collect reasonable user charges or fees for any or all Common Area recreational facilities in order to equitably allocate the cost of such facilities among users and nonusers.

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

(m) 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 5 hereof.

(n) Appoint a nominating committee for the nomination of persons to be elected to the Board, and prescribe rules under which said nominating committee is to act, all as more particularly described in article VII, section 4 hereof.

(o) 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.

(p) Fill vacancies on the Board of Directors or in any committee, except for a vacancy created by the removal of a Board mem-

ber.

(q) Open bank accounts and borrow money on behalf of the Association and designate the signatories to such bank accounts.

(r) Bring and defend actions on behalf of the Members in common or the Association to protect the interests of the Members in common or the Association, as such, so long as the action is pertinent to the operations of the Association, and assess the Members for the cost of such litigation.

(s) Enter Lots as necessary, subject to the notice requirements of the Declaration, in connection with construction, maintenance or emergency repairs for the benefit of the Common Areas, Common Facilities or the Owners in common.

(t) Purchase and sell interests in real and personal property, subject to restrictions on the sale or other encumbrance of real property owned by the Association and designated as Common Area.

## **ARTICLE X Committees**

**Section 1. Committees of Directors.** In addition to the nominating committee appointed and constituted pursuant to article VII, section 4(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. Committees shall have all the authority of the Board with respect to matters within their area of assigned responsibility, except that no committee, regardless of Board resolution, may:

(a) Take any final action on any matter which, under the California Nonprofit Mutual Benefit Corporation Law, also requires approval of the Members.

(b) Fill vacancies on the Board of Directors or on 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 designate the members of those committees.

(f) Approve any transaction: (i) to which the Association is a party and one or more directors have a material financial interest; or (ii) between the Association and one or more of its directors or between the Association 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. Unless otherwise provided in the Board resolution establishing the committee, minutes shall be kept of each meeting of any committee and shall be filed with the

Association records. The Board of Directors may adopt additional rules, not inconsistent with the provisions of these Bylaws, for the governance of any committee.

## **ARTICLE XI Officers**

**Section 1. Officers.** The officers of the Association shall be a president, a vice president, a secretary and a chief financial officer. 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. Any person may hold two or more offices, except that neither the secretary nor the chief financial officer may serve concurrently as president.

**Section 2. Election of Officers.** The officers of the Association, except such officers as may be appointed in accordance with the provisions of sections 3 and 5 following, shall be chosen annually by majority vote of the Board at its first organizational meeting following the annual meeting of the Members or the election of directors. Once appointed, an officer shall hold his or her office until the officer resigns, is removed from office or otherwise disqualified to serve.

**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.

**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.

**Section 7. President.** The president shall be elected by the Board from among the directors. He or she 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 or she 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 powers 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 or she shall have such other powers and perform such other duties as from time to time may be prescribed by the Board or the By-laws.

**Section 9. Secretary.** The secretary shall be elected by the Board from among the directors. 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 or she shall give, or cause to be given, notice of all meetings of the Board required by the Bylaws or by law to be given, and he or she 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 shall be elected by the Board from among the directors. 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 and records 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 or she 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 or 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 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 or her office and for restoration to the Association of all its books, papers, vouchers, money, and other property of every kind in his or her possession or under his or her control on his or her death, resignation, retirement, or removal from office.

## **ARTICLE XII**

### **Member Assessment Obligations and Association Finances**

**Section 1. Description of Assessments to Which Owners Are Subject.** Owners of Lots within the Properties are subject to Regular, Special and Special Individual Assessments as more particularly described in article IV of the Declaration.

**Section 2. 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. Notwithstanding the foregoing, any withdrawal of funds from Association reserve accounts shall require the signature of two directors.

**Section 3. 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 Regular 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 4. 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 article IV of the Declaration. All Association books of account shall be maintained in accordance with generally accepted accounting principles.

**Section 5. Budgets and Financial Statements.** The following financial statements and related information for the Association shall be regularly prepared and copies thereof shall be distributed to each Member of the Association:

(a) **Budget.** A pro forma operating budget meeting the requirements of this subparagraph (a) shall be distributed to Members not less than 45 days nor more than 60 days prior to the beginning of the fiscal year. The budget shall include at least the following information:

(i) The Association's estimated revenue and expenses on an accrual basis;

(ii) A summary of the Association's reserves based upon the most recent review or study conducted pursuant to section 7, below, and Civil Code section 5500 which shall be printed in bold type and include all of the following:

(A) The current estimated replacement cost, estimated remaining life and estimated useful life of each major component of the Properties which the Association is obligated to repair, replace, restore or maintain (collectively "Association Capital Projects");

(B) As of the end of the fiscal year for which the reserve study is prepared, the current estimate of the amount of cash reserves necessary for Association Capital Projects and the current amount of accumulated cash reserves actually set aside for Association Capital Projects.

(C) The percentage that the amount of accumulated cash reserves is of the estimated amount of necessary cash reserves calculated under subparagraph (B), above.

(iii) A statement as to whether the Board of Directors 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; and

(iv) A general statement setting forth the procedures used by the Board of Directors in calculating and establishing reserves to defray the future costs of repair, replacement or additions to major components of the Properties which the Association is obligated to maintain.

In lieu of distributing the complete pro forma operating budget as specified above, the Board of Directors may elect to distribute a summary of the budget to the Members (within the time limits

provided above), together with a notice that the complete budget is available at the Association's principal office and that copies will be furnished, upon request, to any Member at the Association's expense. This notice shall be presented on the front page of the budget summary in at least 10-point bold type. If a Member requests a copy of the complete budget, the Association shall mail the material, via first class mail, within five days.

(b) **Year-End Report.** Within 120 days after the close of the fiscal year, a copy of the Association's year-end report consisting of at least the following shall be distributed to Members:

- (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) A statement advising Members of the place where the names and addresses of the current Members are located; and

(v) Any information required to be reported under section 8322 of the Corporations Code requiring the disclosure of certain transactions in excess of \$50,000 per year between the Association and any director or officer of the Association and indemnifications and advances to officers or directors in excess of \$10,000 per year.

The annual report shall be prepared in accordance with generally accepted accounting principles by a licensee of the State Board of Accountancy for any fiscal year in which the gross income of the Association exceeds \$75,000.

(c) **Annual Statement Regarding Delinquency/Foreclosure Policy.** In addition to financial statements, the Board of Directors shall annually distribute, within 60 days prior to the beginning of the fiscal year, a statement describing 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 Members' Lots.

(d) **Review of Accounts.** On no less than a quarterly basis, the Board of Directors shall:

(i) Review a current reconciliation of the Association's operating accounts;

(ii) Review a current reconciliation of the Association's reserve accounts;

(iii) Review the current year's actual reserve revenues and expenses compared to the current year's budget;

(iv) Review the Association's latest account statements prepared by the financial institution(s) with whom the operating and reserve accounts are lodged; and

(v) Review the Association's income and expense statement for the operating and reserve accounts.

**Section 6. Required Reserve Studies.** At least once every three years, the Board shall undertake a reasonably competent and diligent visual inspection of the Common Facilities and cause a study of the reserve account requirements of the Association to be conducted if the current replacement value of the major components of the Common Facilities which the Association is obligated to repair, replace, restore or maintain as part of a study of the reserve account requirements of the Association if the current replacement value of those major components is equal to or greater than one-half of the gross budget of the Association (exclusive of the Association's reserve account(s) for the same three year fiscal period. The Board shall also review any reserve study required hereunder on an annual basis and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of that review. The reserve study

required hereunder shall include the minimum requirements specified in Civil Code section 5550 or comparable successor statute.

## **ARTICLE XIII**

### **Other Required Reports and Disclosures to Members**

**Section 1. Annual Statement Regarding Delinquency/Foreclosure Policy.** In addition to the budgets and financial statements described in article XII, section 5 of these Bylaws, the Board of Directors shall annually distribute within 60 days prior to the beginning of the fiscal year, a statement describing the Association's policies and practices in enforcing its remedies against Members for defaults in the payment of Common and Special Assessments including the recording and foreclosing of liens against Members' Lots.

### **Section 2. Notification to Members Regarding Insurance Coverage Maintained by the Association.**

(a) **Scope of Required Summary Disclosures.** In accordance with California Civil Code section 5300, within 60 days preceding the beginning of the Association's fiscal year, the Association shall distribute to its members a summary of the Association's property, general liability and earthquake and flood insurance (if any) containing the information described in subparagraph (b), below.

(b) **Content of Annual Insurance Summary.** The insurance summary required by subparagraph (a), above, shall include (i) the name of the insurer; (ii) the type of insurance; (iii) the policy limits of the insurance; and (iv) the amount of the deductibles, if any. In addition, the summary shall include the following statement in at least 10 point boldface type: "This summary of the Association's policies of insurance provides only certain information, as required by section 5300 of the California Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any Association Member may, upon request and provision of reasonable notice to the Association, review the Association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the Association maintains the policies of insurance specified in this summary, the Association's policies of insurance may not cover your property, including personal property or, real property improvements to or around your Residence, or personal injuries or other losses that occur within or around your Residence. Even if a loss is covered by the Association's insurance, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association Members should consult with their individual insurance broker or agent for appropriate additional coverage." To the extent that any of the information that is required to be included in an annual insurance summary is specified in the insurance policy declaration page, the Association may meet its obligation to disclose that information by providing its Members with a copy of the declaration page.

(c) **Notification of Cancellation or Material Change in Policies.** In addition to distributing the insurance summaries described in subparagraph (a) of this section, if any of the policies described in the summary lapse or are canceled and are not immediately renewed, restored or replaced, or if there is a significant change in the policies, such as a reduction in coverage or limits or an increase in the deductible, then the Association shall, as soon as reasonably practical, notify its Members of the lapse.



cancellation or significant change. This notice shall be sent by first-class mail. If the Association receives any notice of non renewal of a policy described in subparagraph (a) the Association shall immediately notify its Members if replacement coverage will not be in effect by the date the existing coverage will lapse.

**Section 3. Disclosure of Right to Receive Board Minutes.** Members shall be notified in writing at the time that the pro forma budget required by article XII, section 5, above, is distributed or at the time of any general mailing to the entire membership of the Members' right to have copies of the minutes of any Board meeting and how and where those minutes may be obtained (see article XIV, section 1(d), below).

**Section 4. Alternative Dispute Resolution (ADR) Disclosure.** On an annual basis, the Board shall provide each member a summary of the provisions of Civil Code section 5975 which specifically references section 5975 and which includes the language required by section 5965. The summary shall be provided to the Members either as part of the budget materials sent to the members pursuant to article XII, section 5, or in the manner specified in Corporations Code section 5016.

**Section 5. Statement of Outstanding Charges.** Within ten (10) days following receipt of a written request by an Owner, the Association shall provide the Owner with a written statement setting forth the following information as of the date of the statement: (i) the amount of the Association's current regular and special assessments and fees, as well as any assessments levied upon the Owner's Unit which are unpaid; (ii) true information on the amounts of any delinquent assessments, penalties, attorneys' fees, and other charges against the requesting Owner's Unit which may be made a lien upon that Unit in accordance with Civil Code 5650-5675; and (iii) any change in the Association's current regular and special assessments and fees which have been approved by the Association's Board of Directors, but have not become due and payable as of the date of the statement.

**Section 6. Disclosure of Schedule of Fines or Other Monetary Penalties.** If the Association adopts a schedule of fines for commonly recurring infractions of the Governing Documents or any other policy imposing a monetary penalty or a fee on any Member for violation of any Governing Document or the Association Rules, including any monetary penalty relating to the activities of a guest or invitee of a Member, the Board shall distribute the schedule or policy to the Members by either personal delivery or by first-class mail. This distribution obligation shall arise whenever such a schedule or policy is adopted or subsequently amended.

**Section 7. Avoidance of Duplication in Reporting Obligations.** To the extent one document distributed to the Members pursuant to Article XII or this Article XIII provides the information required in more than one of the foregoing sections of this article or Article XII and the deadlines for timely distribution of the information can otherwise be satisfied, any such requirements listed above may be satisfied by sending the Members that combined disclosure document.

## **ARTICLE XIV Miscellaneous**

### **Section 1. Inspection of Books and Records.**

(a) **Member Inspection Rights.** All accounting books and records, minutes of proceedings of the Members, the Board and committees of the Board and the membership list of the Association shall at all times, during reasonable business hours, be subject to the inspection of any Member or his or her duly appointed representative 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 10 days' prior written demand on the Association, which demand shall state the purpose for which the inspection rights are requested. Inspection rights with respect to the membership list shall be subject to the Association's right to offer a reasonable alternative to inspection within 10 days after receiving the Member's written demand (as more particularly set forth in section 8330 and following of the California Corporations Code).

(b) **Director Inspection Rights.** 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.

(c) **Adoption of Reasonable Inspection Rules.** The Board of Directors may 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.

(d) **Board Meeting Minutes.** 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 of Directors, other than an executive session, shall be available to the Members within 30 days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any Member upon request and upon reimbursement of the Association's costs in making that distribution. Members shall be notified in writing at the time that the pro forma budget required by section 5 of article XII is distributed or at the time of any general mailing to the entire membership of the Members' right to have copies of the minutes of any Board meeting and how and where those minutes may be obtained.

**Section 2. General Manager.** The Board may, from time to time, employ the services of a general manager 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 manager any of its day-to-day management and maintenance duties and powers under these Bylaws and the Declaration, provided that the general manager shall at all times remain subject to the general control of the Board.

**Section 3. Robert's Rules of Order.** In the event of a question or 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 Robert's Rules of Order.

#### **Section 4. Amendment or Repeal of Bylaws.**

(a) **Board's Authority To Adopt Amendments to Reflect Changes in Law.** The Board of Directors may, by a vote of a two-thirds majority of all directors, adopt amendments to these Bylaws when an amendment is needed to conform a particular provision or provisions of the Bylaws to changes in applicable California State statutory law, and the amended provision was drafted to accurately state the statutory law as previously in effect. Before entertaining a motion to approve any such amendments both of the following three conditions must be satisfied: (i) the Board shall have received a written opinion from the Association's legal counsel confirming that a change or changes in California statutory law necessitates a corresponding amendment to these Bylaws in order to make the provision(s) an accurate statement of the underlying statutory requirement(s) and that the revised statutory laws pertain to matters which the Association is bound to observe; (ii) the Board has posted notice at the Association's principal office for at least 45 days a notice of intention to adopt the amendment, which shall present the text of the proposed amendment, together with a copy of the opinion of counsel; and (iii) following expiration of the 45 day notice period, action on the amendment shall be taken at a duly noticed regular meeting of the Board.

(b) **Amendment by Approval of the Members.** Except as otherwise provided in subparagraph (a), above, these Bylaws may only be amended or revoked in any respect by the vote or assent by written ballot of the holders of not less than a Majority of a Quorum of the Members; 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.

(c) **Effective Date of Amendment.** Any amendment to these Bylaws shall become effective immediately upon approval by the Board or the Members in accordance with either subparagraph (a) or subparagraph (b), above. The secretary of the Association shall certify adoption of any duly approved amendment to the Bylaws and a copy of said certificate and the amendment shall be included in the Association's corporate records.

**Section 5. Notice 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 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 of Directors at the principal office of the Association as designated from time to time by written notice to the Members; 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 so given, to the address of any Lot within the Properties owned by such Member.

#### **Section 6. Indemnification.**

(a) **Indemnification by Association of Directors, and Officers.** To the fullest extent permitted by law, the Association shall indemnify its directors, officers and persons serving on committees appointed by the Board, including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by

them in connection with any "proceeding" as that term is used in that section and including an action by or in the right of the Association, by reason of the fact that such person is or was a director, officer or committee member. The term "Expenses," as used in this section, shall have the same meaning as in section 7237(a) of the California Corporations Code.

(b) **Approval of Indemnity by Association.** On written request to the Board by any person seeking indemnification hereunder, the Board shall promptly determine in accordance with section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in section 7237(b) or section 7237(c) has been met and, if it has, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to the proceeding, the Board shall promptly call a meeting of Members. At that meeting, the Members shall determine under section 7237(c) of the California Corporations Code whether the applicable standard of conduct set forth in section 7237(b) or section 7237(c) has been met and, if it has, the Members present at the meeting in person or by proxy shall authorize indemnification.

(c) **Advancement of Expenses.** To the fullest extent permitted by law and except as is otherwise determined by the Board in a specific instance, expenses incurred by a director, officer, or committee member seeking indemnification under subparagraphs (a) and (b) of this section in defending any proceeding covered by those sections shall be advanced by the Association before final disposition of the proceeding, on receipt by the Association of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Association for those expenses.

(d) **Insurance.** The Association shall have the power to purchase and maintain insurance on behalf of its directors, officers and committee members against other liability asserted against or incurred by any director, officer or committee member in such capacity or arising out of the director's/officer's/committee member's status as such.

**Section 7. 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 Nonprofit 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. 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.

### CERTIFICATE OF AMENDMENT

I hereby certify that:

- A. I am the Secretary of the The Glenshire/Devonshire Residents' Association, Inc.
- B. The foregoing Second Restated Bylaws of Glenshire/Devonshire, consisting of 14 pages, were duly approved by the required vote of the Board of Directors of the Association pursuant to Civil Code Section 4235, as documented in the attached resolution, see Exhibit "A"
- C. The foregoing Second Restated Bylaws now constitute the bylaws of the The Glenshire/Devonshire Residents' Association, Inc. Any and all amendments to the First Restated Bylaws, whether referenced above or not, shall remain in full force and effect, shall not be superseded or invalidated by these Second Restated Bylaws.

Executed 3-12, 2014.



Charles Timinsky, Secretary

[print name]

## EXHIBIT "A"

### THE GLENSHIRE/DEVONSHIRE RESIDENTS' ASSOCIATION, INC. RESOLUTION OF THE BOARD OF DIRECTORS

The following actions were approved by the Board of Directors (the "Board") of the The Glenshire/Devonshire Residents' Association, Inc. (the "Association") at its Board meeting on 3-12-2014, at which a quorum of the Directors was present. The Board finds and resolves as follows:

**WHEREAS**, the Association's governing documents, as that term is defined in Civil Code § 4150, were adopted prior to January 1, 2014;

**WHEREAS**, the Association's governing documents include citations and references to the *old* Davis-Stirling Common Interest Development Act's (the "Davis-Stirling Act") code sections, see Civil Code § 1350 et seq.;

**WHEREAS**, in accordance with Civil Code § 4235, if the governing documents include a reference to a provision of the Davis-Stirling Act that was repealed and continued in a new provision by the Davis-Stirling Act that added Civil Code § 4235, the Board may restate the governing documents, solely to correct the cross-reference, by adopting a board resolution that shows the corrections;

**WHEREAS**, the Association seeks to correct Civil Code section number references in its governing documents to refer to the *new* Davis-Stirling Act (see Civil Code § 4000 et seq.) to avoid confusion, facilitate compliance, and simplify governance;

**WHEREAS**, the Board with the assistance of its legal counsel restated the governing documents to show the new statutory references in the new Davis-Stirling Act; and

**WHEREAS**, member approval is not required for this resolution pursuant to Civil Code § 4235.

**NOW, THEREFORE, IT IS RESOLVED**, that the Board approves the decision to restate the Association's governing documents solely to correct citation numbers to correlate with the new Davis-Stirling Act's statute numbers pursuant to Civil Code § 4235;

**BE IT FURTHER RESOLVED**, that the changes to the governing documents reflect the new citation numbers and correlate with the new Davis-Stirling Act's statute numbers as shown in the restated governing documents; and

**BE IT FURTHER RESOLVED**, that the Board may, within 15 days following the adoption of the restated governing documents, notify the Association Members that the restated governing documents have been adopted.

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#### CERTIFICATE OF SECRETARY

I hereby certify that I am the Secretary of the The Glenshire/Devonshire Residents' Association, Inc., and the foregoing resolution was adopted by the required vote of the Board at its meeting on 3-12-2014, and that said Resolution remains in full force and effect.

Dated: 3-12-2014

By: Charles Timinchy

[print name]

, Secretary

## ACKNOWLEDGMENT

State of California  
County of Nevada

On 3-12-2014 before me, Stacy Nicholls, Notary Public  
(insert name and title of the officer)

personally appeared Charles Timinsky  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature SC

(Seal)

