
BYLAWS
OF
TAMA-LIN ASSOCIATION, INC.
A California Nonprofit Mutual Benefit Corporation

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ARTICLE I

Name of the Association

The name of the Association is **TAMA-LIN ASSOCIATION, INC.**, a California nonprofit mutual benefit corporation ("Association"). *[The name of the Association is subject to variation/change at time of filing with the Secretary of State due to exact name availability. Final name choice will be confirmed at time of recording of the Declaration.]**

ARTICLE II

Introduction

2.01 Incorporation of Definitions.

The definitions contained in the Declaration of Covenants, Conditions, Restrictions and Easements ("Declaration") recorded in this Project are applicable to the same terms used in these Bylaws.

ARTICLE III

Meetings of Members

3.01 Special and Regular Annual Meetings of Members.

- (a) At least once a year, a regular annual meeting of Members shall be held at approximately the same time each year. The exact time shall be decided by the Board.
- (b) Every year, the Board must schedule subsequent annual Member meetings within thirty (30) days of the same date as the first meeting (not on a legal holiday).
- (c) At the annual meetings, Members shall elect a Board of Directors in accordance with these Bylaws and transact other Association business.
- (d) Special meetings shall be held pursuant to Corporations Code Sections 7510 and 7511.

3.02 Notice of Meetings.

- (a) Notice of meetings (Regular or Special) shall be given in compliance with Corporations Code Section 7511.
- (b) The Notice of Meeting shall be posted at a prominent place in the Common Area if there is a place suitable for such posting.

3.03 Conduct of Meetings.

Member meetings must be conducted in accordance with a recognized system of parliamentary procedures as the Association may adopt.

3.04 **Action Without a Meeting.**

- (a) Any action, except the election of directors, amendments to the governing documents, or the grant of exclusive use of Common Area property, that may be taken at any Members' meeting may be taken without a meeting in compliance with Corporations Code Section 7513.
- (b) Within three (3) days an explanation of the action shall be posted at a prominent place within the Common Area. If there is not a suitable place within the Common Area for such posting, the explanation of the action shall be delivered to the Members in a manner of delivery deemed acceptable in the Governing Documents.

3.05 **Quorum.**

- (a) The presence, in person, by the attorney in fact, by proxy, or by the casting of a ballot which was received by the inspector or inspectors of election, of Members entitled to cast a majority of the total voting power of the Association constitute a quorum for all Member meetings (except as otherwise specifically provided in these Bylaws or the Declaration).
- (b) Once a quorum has been established at a meeting, Members may conduct business until adjournment, even if, during the course of the meeting, the number in attendance becomes less than the quorum amount.
- (c) If the number in attendance becomes less than the quorum amount, an action may still be taken, as long as the action taken is approved by at least a majority of the Members required to establish the quorum at the onset of the meeting.

3.06 **Proxies.**

A Member may vote by proxy executed in writing by the Member (or duly authorized attorney-in-fact) in compliance with Corporate Code Section 7613.

3.07 **Membership and Voting Rights.**

The membership and voting rights contained in the Declaration are incorporated herein by reference.

3.08 **Record Date.**

The Record Date for determining the Members entitled to notice and to vote shall be determined in compliance with Corporate Code Section 7611.

ARTICLE IV

Elections/Voting

4.01 Inspectors of Election and Member Voting.

(a) One or three independent third parties as inspector(s) of election and Member voting shall be selected by the Board. The Board shall have discretion to select the larger number of inspectors. The inspectors may appoint assistants to verify signatures and count votes, and any such assistants shall meet the same qualifications as the inspectors.

(b) An independent third party includes, but is not limited to, a volunteer poll worker with the county registrar of voters, a licensee of the California Board of Accountancy, or a notary public. An independent third party may be a Member of the Association, but may neither be, nor be related to, a Board Member, or a candidate for the Board of Directors. An independent third party may not be a person who is currently employed or under contract to the Association for any compensable services unless expressly authorized by rules of the Association.

(c) The inspector(s) of election and Member voting shall do all of the following:

- (1) Determine the number of memberships entitled to vote and the voting power of each.
- (2) Determine the authenticity, validity, and effect of proxies, if any.
- (3) Receive ballots.
- (4) Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.
- (5) Count and tabulate all votes.
- (6) Determine when the election or voting polls shall close.
- (7) Determine the result of the election or Member vote.
- (8) Perform any acts as may be proper to conduct the election or Member vote with fairness to all Members in accordance with this section and all applicable rules of the Association regarding the conduct of the election or Member vote that are not in conflict with this section.

(d) An inspector of election or Member vote shall perform his or her duties impartially, in good faith, to the best of his or her ability, and as expeditiously as is practical. If there are three inspectors the decision or act of a majority shall be effective in all respects as the decision or act of all. Any report made by the inspector(s) is prima facie evidence of the facts stated in the report.

4.02 Ballots.

(a) Election and removal of members of the Board of Directors, amendments to the Governing Documents, elections regarding Assessments legally requiring a vote, or the grant of exclusive use of Common Area, pursuant to California Civil Code Section 1363.07, shall be held by secret ballot in accordance with the procedures set forth in this section. Voting on other issues may be held by secret ballot in the discretion of the Board.

(b) Any instruction given in a proxy issued for an election or Member vote that directs the manner in which the proxy holder is to cast the vote shall be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain. The proxy holder shall cast the Member's vote by secret ballot. The authenticity, validity, and effect of proxies, shall be determined by the inspector(s) of election. A Member may not revoke a proxy once the ballot has been received by the inspector or inspectors of election.

(c) An election may be conducted entirely by mail, in which case the ballots must be counted at an open Board or Membership meeting, as if cast in person.

(d) Ballots and two pre-addressed envelopes with instructions on how to return ballots shall be mailed by first-class mail or delivered by the Association to every Member not less than 30 days prior to the deadline for voting. In order to preserve confidentiality, a voter may not be identified by name, address, or Unit number on the ballot. The Association shall use as a model those procedures used by California counties for ensuring confidentiality of voter absentee ballots, including all of the following:

(1) The ballot itself is not signed by the Member, but is inserted into an envelope that is sealed. This envelope is inserted into an outer envelope that is sealed. In the upper left hand corner of the outer envelope, the Member prints and signs his or her name. The address and Unit number that entitles the Member to vote may be written by the Member or on a preprinted mailing label supplied by the Association.

(2) The second envelope is addressed to the inspector(s) who will be tallying the votes. The envelope may be mailed or delivered by hand to a location specified by the inspector(s). The Member may request a receipt for delivery.

(3) Once a secret ballot is received by the inspector(s), it is irrevocable.

(e) All votes shall be counted and tabulated by the inspector(s) of election or Member vote in public at a properly noticed open meeting of the Board or Members. A quorum need not be present at such meeting. Any candidate or other Member of the Association may witness the counting and tabulation of the votes. No person, including a Member of the Association or an employee of the management company, shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated.

(f) The results of the election or Member vote shall be promptly reported to the Board, and shall be recorded in the minutes of the next meeting of the Board, and shall be available for review by Members of the Association. Within 15 days of the election or Member vote, the Board shall publicize the results of the election or Member vote in a communication directed to all Members. A report of the election results shall include the total votes for and against each issue or candidate.

(g) The sealed ballots at all times shall be in the custody of the inspector(s) or at a location designated by them until after the tabulation of the vote, for a period of nine (9) months to allow for a challenge of the vote. If there is a recount or other challenge to the election process, the inspector(s) shall, upon written request, make the ballots available for inspection and review by an Association member or his or her authorized representative. After said challenge time period expires, custody of the ballots shall be transferred to the Association.

(h) After transfer of the ballots to the Association, the ballots shall be stored by the Association in a secure place for no less than one (1) year after the date of the election or Member vote. In the event of a recount or other challenge to the election or vote process, the Association shall, upon written request, make the ballots available for inspection and review by Members, or their authorized representatives. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.

(i) Any measure placed before the Members requesting that the Board grant exclusive use of any portion of the Common Area shall specify whether the Association will receive any monetary consideration for the grant and whether the Association or the transferee will be responsible for providing any insurance coverage for exclusive use of the Common Area.

4.03 Candidates and Campaigning for Board of Directors

(a) Procedures for nominations for election to the Board shall comply with Corporations Code Section 7520. Any Member of the Association may nominate himself or herself for election to the Board of Directors, or may be nominated by another person. The Rules and Regulations of the Association may permit nominations from the floor and/or write-in candidates.

(b) Any candidate for the Board of Directors shall be a Member of the Association. Any other qualification for elected office shall be as set forth in the Declaration.

(c) If any candidate or Member advocating a point of view is provided access to Association media, newsletters, or Internet Web sites during a campaign, for purposes that are reasonably related to that election, equal access shall be provided to all candidates and Members advocating a point of view, including those not endorsed by the Board, for purposes that are reasonably related to the election. The Association shall not edit or redact any content from these communications, but may include a statement specifying that the candidate or Member, and not the Association, is responsible for that content.

(d) All candidates, including those who are not incumbents, and all Members advocating a point of view, including those not endorsed by the Board, shall have access to the Common Area meeting space, if any, during a campaign, at no cost, for purposes reasonably related to the election.

(e) Association funds shall not be used for campaign purposes in connection with any Association Board election. Association funds shall not be used for campaign purposes in connection with any other Association election except to the extent necessary to comply with duties of the Association imposed by law. "Campaign purposes" include, but are not limited to, the following:

- (1) Expressly advocating the election or defeat of any candidate that is on the Association election ballot; and
- (2) Including the photograph or prominently featuring the name of any candidate on a communication from the Association or its Board, excepting the ballot and ballot materials, within 30 days of an election, provided that this is not a campaign purpose if the communication is one for which subdivision (a) of Section 1363.03 requires that equal access be provided to another candidate or advocate.

(f) The provisions of this section are subject to the provisions of Civil Code section 1363.4 or any successor statute.

ARTICLE V

Books and Records of the Association

5.01 **Books and Records of the Association.**

(a) The Board will keep membership registers (including mailing addresses and telephone numbers), account books and minutes of meetings of Members, the Board, and committees, and shall comply with all current requirements of California Civil Code Sections 1365, 1365.2, 1365.5 and 1368, or successor statutes pertaining to financial records and Governing Documents. Any amendment to those sections shall automatically amend this section to conform to those Legislative amendments.

(b) The Board shall distribute to each Member copies of the following Association documents and records prior to the beginning of the Association's fiscal year, or within the noted time frames, as provided in sections 1365 and 1365.2(a) of the California Civil Code or any successor statute:

- (1) Operating budget. No less than thirty (30) days nor more than ninety (90) days before the beginning of the Association's fiscal year, the pro forma operating budget required by Civil Code Section 1365(a) shall be provided to every Member, in the language set forth in Section 1365(a) or any successor statute.
- (2) Reserve account balances and records of payments made from reserve accounts. Sixty (60) days before the beginning of the Association's fiscal year, the disclosure summary required by Civil Code Section 1365.2.5 regarding reserve funding shall be provided to every Member, in the language set forth in Section 1365.2.5 or any successor statute.
- (3) A statement as to the amount of the Association's current regular and special assessments. Sixty (60) days before the beginning of the Association's fiscal year, the disclosure summary required by Civil Code Section 1365.2.5 regarding assessments and reserve funding shall be provided to every Member, in the language set forth in Section 1365.2.5 or any successor statute.
- (4) A review of the Association's financial statements;
- (5) A statement of the Association's enforcement policies, fines, and penalties, including a statement describing the Association's policies and practices in enforcing lien rights or other legal remedies for default in payment of its assessments;
- (6) Summary of the Association's insurance policies. No less than thirty (30) days nor more than ninety (90) days before the beginning of the Association's fiscal year, the disclosure summary required by Civil Code Section 1365(e) regarding the Association's insurance policies shall be provided to every Member, in the language set forth in Section 1365(e) or any successor statute.

(c) Upon written request by a Member, Association books and records except those documents that are reasonably determined by the Board to be confidential (e.g., ballots), shall be available for inspection and copying at the Association office (or other location established by the Board), including:

- (1) Check registers;

- (2) Association state and federal tax returns;
 - (3) Executed contracts not otherwise privileged under law, including but not limited to, vendor or contractor proposals or invoices;
 - (4) Copies of the governing documents (Declaration, Bylaws, Rules and Regulations, and the Association's Articles of Incorporation);
 - (5) Agendas and minutes of meetings of Members, the board, and any committees appointed by the Board (excluding, however, agendas, minutes, and other information from executive sessions of the board of directors as described in Section 1363.05); and
 - (6) Membership lists, as described in Section 1365.2(1)(l).
- (d) The Association records and Enhanced Association Records made available shall be for the current year and two prior fiscal years. Current records shall be made available within 10 business days after request, earlier records within 30 calendar days after request. Minutes or draft minutes of Member or Board meetings shall be made available within 30 days after the meeting and shall be permanently available. Minutes or draft minutes of meetings of any committee having decision-making authority shall be made available within 15 calendar days after approval and shall be permanently available. Membership lists shall be made available within 10 days of request, or as specified by Corporations Code section 8330.
- (e) Enhanced Association Records are invoices, receipts and canceled checks for payments made by the Association, purchase orders approved by the Association, credit card statements for credit cards issued in the name of the Association, statements for services rendered, and reimbursement requests submitted to the association, provided that the person submitting the reimbursement request shall be solely responsible for removing all personal identification information from the request.
- (f) The Association shall not be liable for failure to retain records created prior to January 1, 2006.
- (g) The Association may bill the requesting Member for the direct and actual cost of copying requested documents, including an amount not more than ten dollars (\$10) an hour or two hundred dollars (\$200) total for the time actually and reasonably involved in redacting the Enhanced Association Records. Before the requested documents are copied and retrieved, the Association shall inform the Member of the amount of the copying costs and the Member shall agree to pay those costs. The requesting party may elect to receive specified documents in electronic or machine-readable storage media as long as the form of storage or transmission does not permit alteration of the record.
- (h) The Association may redact personal information from the records provided, according to Civil Code Section 1363.2(d) or any successor statute.
- (i) Members shall annually be provided a summary of the provisions of Section 1354, as set forth therein, which must include the following language: "Failure by any Member of the Association to comply with the prefiling requirements of Section 1354 of the Civil Code may result in the loss of your rights to sue the Association or another Member of the Association regarding enforcement of the Governing Documents". This summary shall be provided either at the time of distribution of the operating budget required by Section 1365, or in the manner specified in Section 5016 of the Corporations Code.

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

(k) No officer, director, employee, agent or volunteer of the Association, nor the Association itself, shall be liable for damages to a Member or to any third party as the result of identity theft of other breach of privacy because of the failure to withhold or to redact that Member's information under this section or under Civil Code Section 1365.2, unless such failure was intentional, willful or negligent.

(l) The Association may deliver or transmit specified documents in electronic or machine-readable storage media as long as the form of storage or transmission does not permit alteration of the record.

ARTICLE VI

Board of Directors

6.01 Number, Election, and Term of Office.

(a) The Board of Directors will consist of **three (3)** Members.

(b) Directors must be Members, i.e. Owners of Record. No Owner may be elected to serve on the Board if they have been convicted of a criminal or felony criminal act.

(c) At each annual meeting, the Members will elect new Board Members, or the Members will vote to continue the existing Board Members for another term. The Board Members will determine which Board Members will serve in each Officer position.

(d) Voting for Board members will be by secret written ballot.

(e) Board Members serve a term of one (1) year (or until successors are elected).

6.02 Vacancies.

(a) A vacancy exists if:

(1) A Director resigns, dies, or is removed from office;

(2) The Members increase the number of authorized Directors but do not elect the additional Directors at the meeting; or

(3) The Members do not elect the full number of Directors.

(b) Board vacancies (except as a result of removal) may be filled by a simple majority of Directors for the remainder of the term of the position that became vacant until a successor is elected at an annual or special meeting of Members.

(c) The Board may declare vacant the office of a Director who is convicted of a criminal or felony criminal act, or declared of unsound mind by a final court order.

- (d) Members may elect:
 - (1) Directors to fill any vacancy not filled by the Directors, at any time; and
 - (2) Additional Directors, at the meeting in which an increase in the number of Directors is authorized.

6.03 **Removal of Directors.**

- (a) After the first annual Member meeting, any Director may be removed (with or without cause) by a majority vote of the Members cast by secret ballot.
- (b) A successor may be elected at that time or at a later date to fill the vacancy in compliance with the provisions of these Bylaws.

6.04 **Regular Meetings.**

- (a) The Board shall hold meetings as reasonably necessary to manage the Association affairs.
- (b) Notice of Board meetings must be given to each Director at least four (4) days before the meeting date.
- (c) The notice of meeting shall be posted at a prominent place in the Common Area, unless it is unsuitable for such posting, in which case the Board shall communicate the notice by appropriate means.

6.05 **Special Meetings and Notices.**

- (a) Special Meetings of the Board of Directors may be called at any time for any purpose by the President, Vice President, or any two (2) Directors.
- (b) Written notice specifying the time, place and the nature of business to be conducted at the Special Meeting must be delivered to each Director at least seventy-two (72) hours before the meeting.
- (c) The notice shall be communicated to Members as specified in these Bylaws herein.

6.06 **Common Interest Development Open Meeting Act.**

Effective January 1, 2008, the following provisions shall apply to Board meetings, both regular and special, except for emergency meetings of the Board as set forth herein (Civil Code 1363.05 or successor statute).

- (a) Any Member of the Association may attend meetings of the Board, except when the board adjourns to executive session to consider litigation, matters relating to the formation of contracts with third parties, Member discipline, personnel matters, or to meet with a Member of the Association, upon the Member's request, regarding the Member's payment of Assessments or any fines or penalties the Member is subject to, as specified in the Governing Documents. Said Member of the Association shall be entitled to attend the executive session of the Board.

(b) Members of the Association shall be given Notice of the time and place of Board meetings except for an emergency meeting, at least four (4) days prior to the meeting.

(c) Notice shall be given by posting the notice in a prominent place or places within the Common Area and by mail to any Member of the Association who has requested notification of Board meetings by mail, at the address requested by the Member. Notice may also be given, by mail or delivery of the notice to each Unit in the Property or by newsletter or similar means of communication.

(d) The notice shall contain the agenda for the Board meeting.

(e) The Board may not discuss or take action on any item at a non-emergency meeting unless the item was placed on the agenda included in the notice that was posted and distributed pursuant to this Section.

(f) This Section does not prohibit a Member of the Association who is not a Board Member from speaking on issues not on the agenda. However, the Board may establish a reasonable amount of time for any Member of the Association to speak before the Board. The Board may not take action on any issue brought up by a Member until it is placed on the agenda for a subsequent Board meeting, and the Members of the Association are properly noticed pursuant to this Section.

(g) A Board Member, a managing agent or other agent of the Board, or a member of the staff of the Board, may do any of the following:

- (1) Briefly respond to statements made or questions posed by a Member of the Association speaking at a meeting.
- (2) Ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities, whether in response to questions posed by a Member of the Association, or based upon his or her own initiative.

(h) The Board, or a Board Member, subject to rules or procedures of the Board, may do any of the following:

- (1) Provide a reference to, or provide other resources for factual information to, its managing agent or other agents or staff.
- (2) Request its managing agent or other agents or staff to report back to the Board at a subsequent meeting concerning any matter, or take action to direct its managing agent or other agents or staff to place a matter of business on a future agenda.
- (3) Direct its managing agent or other agents or staff to perform administrative tasks that are necessary to carry out matters set forth herein.

(i) An emergency meeting of the Board may be called by the President, or by any two (2) Board Members, if there are 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 notice as required by this Section.

(j) The Board may take action on any item of business not appearing on the agenda for the Board meeting posted and distributed pursuant to this Section under any of the following conditions:

- (1) Upon a determination made by a majority of the Board Members present at the meeting that an emergency situation exists.
- (2) Upon a determination made by the Board by a vote of two-thirds (2/3) of the Board Members present at the meeting, or, if less than two-thirds of total membership of the Board is present at the meeting, by a unanimous vote of the Board Members present, that there is a need to take immediate action and that the need for action came to the attention of the Board after the agenda for the Board meeting was posted and distributed pursuant to this Section.
- (3) The item appeared on an agenda that was posted and distributed pursuant to this Section for a prior meeting of the Board that occurred not more than thirty (30) calendar days before the date that action is taken on the item and, at the prior Board meeting, action on the item was continued to the Board meeting at which the action is taken.
- (4) Before discussing any item pursuant to this paragraph, and its subparagraphs, the Board shall openly identify the item to the Members of the Association in attendance at the meeting.
- (k) The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any meeting of the Board, other than an executive session, shall be available to Members of the Association within thirty (30) days of the meeting.
- (l) The minutes, proposed minutes, or summary minutes shall be distributed to any Member of the Association upon request and upon reimbursement of the Association's costs for making that distribution.
- (m) Members of the Association shall be notified in writing at the time that the pro forma budget required in Civil Code Section 1365 is distributed, or at the time of any general mailing to the entire Membership, of their right to have copies of the minutes of meetings of the Board, and how and where those minutes may be obtained.
- (n) Any matter discussed in an executive session of the Board shall be generally noted in the minutes of the immediately following meeting that is open to the entire membership.
- (o) As used in this section, "meeting" includes any congregation of a majority of the Board Members 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.

6.07 **Place Of Meetings.**

The meeting place shall be within the Property itself unless, in the judgment of the Board, a larger meeting room is required than exists within the Property in which case the meeting room selected shall be as close as possible to the Property.

6.08 **Waiver of Notice.**

- (a) Notice of a Board meeting need not be given to a Director who signed a waiver of notice or written consent to holding the meeting, or who signed written approval of the minutes of any meeting.
- (b) Waivers and consents provided by Directors must be filed with Association records or made a part of the meeting minutes.

(c) A Director who attends a meeting for which the Director was not noticed, waives the Director's notice of meeting.

6.09 **Adjournment.**

(a) A majority of the Directors present (whether or not they constitute a quorum) may adjourn to another time and place.

(b) Notice shall be given to any directors not present.

6.10 **Quorum.**

(a) A quorum for the transaction of business is a majority of the actual number of Directors.

(b) A meeting at which a quorum is initially present may continue to transact business after Directors withdraw, provided that any action is approved by a majority of the required quorum.

6.11 **Action Without Meeting.**

(a) The Board may take action without a meeting if all Directors file their written consent to the action with the Minutes of the Board proceedings.

(b) Within three (3) days an explanation of the action shall be posted at a prominent place within the Common Area, unless it is unsuitable for such posting, in which case the explanation shall be communicated by other appropriate means.

6.12 **Conduct of Meeting.**

(a) All Board meetings (except Executive Sessions) are open to all Association Members and mortgage holders (although non-Board Members may not participate in deliberations or decisions unless expressly authorized to do so by a majority of a quorum of the Board).

(b) Directors may participate in a meeting by telephone as long as all Directors participating can hear one another.

6.13 **Executive Sessions.**

(a) With the approval of a majority of its Members, the Board may adjourn a meeting and reconvene in executive session to consider litigation affecting the Association, matters that relate to the formation of contracts with third parties, personnel matters, or other matters where executive sessions are authorized by law.

(b) The nature of business to be considered in executive sessions must first be announced in open session.

(c) Any matter discussed in executive session shall be generally noted in the Minutes of the Board.

(d) In any matter relating to the discipline of a Member, the Board shall meet in executive session if requested by that Member, and the Member in question shall be entitled to attend the executive session.

6.14 Nominations of Candidates for the Board.

Procedures for nominations for election to the Board shall comply with Corporations Code Section 7520.

ARTICLE VII

Officers

7.01 Enumeration of Officers.

(a) The Board Members shall fulfill the functions of the following Officer positions:

(1) President;

(2) Vice President;

(3) Secretary; and

(4) Treasurer.

(b) All Officers must be Directors.

(c) Associations are required to have at least a President, a Treasurer, and a Secretary. One Officer may hold two (2) offices simultaneously (e.g. Secretary/Treasurer).

7.02 Removal and Resignation.

(a) An Officer may be removed by the Board whenever the Board determines that such a removal would be in the best interest of the Association.

(b) An Officer may resign at any time.

7.03 Vacancies.

An Officer vacancy shall be filled by a majority vote of Directors.

7.04 President.

The President is the principal executive officer of the Association, with the following duties and powers:

(a) Generally supervise all of the Association's business and affairs;

(b) Preside at all meetings of the members and of the Board; and

- (c) Perform all general duties incident to the office of President prescribed by the Board.

7.05 **Vice-President.**

- (a) The Vice President shall be the designated replacement for the President whenever the President is unable or unwilling to fulfill the functions of the presidency.
- (b) The Vice President shall perform all duties assigned by the President or by the Board.

7.06 **Treasurer.**

The Treasurer is the chief financial officer of the Association, with the following powers and obligations:

- (a) Ensure that adequate and correct accounts of Association properties and business transactions are kept and maintained;
- (b) Send financial statements and reports to Association Members semi-annually;
- (c) Have custody and responsibility for all Association funds and securities;
- (d) Receive all monies payable to the Association;
- (e) Deposit all monies in the name of the Association in banks or depositories selected in accordance with these Bylaws; and
- (f) Perform all general duties incident to the office of Treasurer assigned by the President or the Board.

7.07 **Secretary.**

The Secretary shall perform the following duties:

- (a) Ensure that the minutes of Member, Board, and Committee meetings are kept in books designated for that purpose;
- (b) Ensure that all notices are given as required;
- (c) Maintain custody of the Association's records; and
- (d) Perform all duties assigned by the President or by the Board.

7.08 **Manager or Management Company.**

The Board may, from time to time, employ the services of a manager or management company 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 or management company any of its day-to-day management and maintenance duties and powers, provided that the manager or management company shall at all times remain subject to the general control of the Board.

ARTICLE VIII

Powers and Duties of The Association

8.01 Powers and Duties of the Board.

Association activities will be conducted under the direction of a Board of Directors (subject to the Governing Documents and the California Nonprofit Mutual Benefit Corporation Law).

8.02 Penalties for Non-Compliance.

(a) In recognition of the need for a reasonable means of encouraging and insisting upon compliance with the provisions of the Governing Documents without resorting to suits for injunctive relief, the Board is authorized to do the following:

- (1) Establish a reasonable policy of reasonable penalties, including monetary penalties (which specifies the amounts of potential monetary penalties);
- (2) Assess such penalties against any Member found to be in violation of any provision of the Governing Documents;
- (3) Temporarily suspend a Member's voting rights as a Member of the Association for as long as the violation continues; and
- (4) Temporarily suspend a Member's Common Area privileges for as long as the violation continues, subject to, but not limited to the following:
 - (A) Use of any Common Area facilities, or privileges, where applicable: use of laundry room, guest parking privileges, announcement of guests, signing for packages and deliveries, removable of name from Property directory, and use of any Common Area rooms or meeting areas;
 - (B) The Board may not impair the right of a Member or a Member's tenant to have vehicular and pedestrian ingress and egress to and from the Unit, including the right to park an authorized motor vehicle; and
 - (C) Any suspension of a Member's or a Member's tenant's use of the Unit may only be obtained through a court order or arbitration decision.

(b) Notice and Hearing relating to the imposition of any penalties in this Section must be made in the following manner pursuant to Civil Code 1363(h) and at a minimum:

- (1) Notice must be given in writing, by either personal delivery or first-class mail to the relevant Member's most recent address in the Association's records at least ten (10) days before the proposed effective date of the penalty;
- (2) Notice must set forth details of the alleged violation itself, the proposed penalty, and the date, time and place of the Hearing, and a statement that the Member has the right to attend and may address the Board;
- (3) Hearing will be held by the Board of Directors, and their decision is final and binding upon the Member;

- (4) The Board shall meet in executive session if requested by the Member being disciplined, and the Member shall be entitled to attend the executive session;
 - (5) Following the Hearing, the Board must decide whether or not the Member should in fact be penalized, and the nature of the penalty; and
 - (6) If the Board imposes discipline on the Member, a written notice must be given to the Member by either personal delivery or first-class mail, within fifteen (15) days following the action, and at least five (5) days prior to the effective date of the penalty.
- (c) If the Board establishes a policy imposing any monetary penalty, including any fee on any member for a violation of the Governing Documents or rules of the Association, including any monetary penalty relating to the activities of a guest or invitee of a member, the Board shall adopt and distribute to each member by personal delivery or first-class mail, a schedule of the monetary penalties that may be assessed for those violations, which shall be in accordance with authorization for member discipline contained in the Governing Documents. (The Board shall not be required to distribute any additional schedules of monetary penalties unless there are changes from the schedule that was adopted and distributed to the members.)
- (d) If a Member fails to comply with a penalty imposed pursuant to the provisions of this Section, the Board may seek judicial enforcement of the penalty in any court of competent jurisdiction, with the Member liable for all costs (collection costs, court costs, attorney's fees, etc.). However, such penalties and costs shall not be treated as an Assessment that may become a prejudgement lien enforceable by Civil Code Section 2924.
- (e) All procedures relating to the imposition of any penalties or discipline for violation of any provision in the Governing Documents shall, at minimum, comply with Civil Code Section 1363 and Corporations Code Section 7341.

8.03 **Notice of Delinquent Assessments.**

At least thirty (30) days before a lien is recorded upon a Member's separate interest (Unit) to collect a debt for Delinquent Assessments, the Association shall notify the Member and the first mortgagee in writing by certified mail of the following, as required by Civil Code Section 1367.1 or successor statute:

- (a) A general description of the collection and lien enforcement procedures of the Association and the method of calculation of the amount;
- (b) A statement that the Member has the right to inspect the Association records, pursuant to Corporations Code Section 8333;
- (c) The following statement, in capital letters or in 14-point boldface type: "IMPORTANT NOTICE: IF YOUR SEPARATE INTEREST IS PLACED IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR ASSESSMENTS, IT MAY BE SOLD WITHOUT COURT ACTION."
- (d) An itemized statement of the charges owed, showing the amount of any Delinquent Assessments, the fees and reasonable costs of collection, reasonable attorney's fees, late charges and interest, if any.
- (e) A statement that the Member shall not be liable to pay the charges, interest and costs of collection if it is determined that the assessment was paid on time to the Association.

(f) A statement that the Member has the right to request, and upon request the Association shall participate in, a meeting to discuss establishing a payment plan to satisfy Delinquent Assessments.

(g) A statement that the Member has the right to request, and upon request the Association shall participate in, Alternative Dispute Resolution as set forth in Civil Code Sections 1363.810 through 1363.840 or Sections 1369.510 through 1369.580. The form of Alternative Dispute Resolution, if any, used to resolve a dispute arising from Delinquent Assessments shall be the choice of the Member, except that binding arbitration shall not be used if the Association intends to commence a judicial foreclosure.

NOTE: Should the Member make such a request, the Association shall not record a lien or initiate foreclosure action without participating in Alternative Dispute Resolution. If it is determined through dispute resolution or Alternative Dispute Resolution that the Association has filed a lien for a Delinquent Assessment in error, the Association shall be required to reverse specified charges and take other corrective actions.

(h) If a lien is recorded against a Member's Unit in error, the person who recorded the lien must record a lien release within twenty one (21) days, and must provide the Member certain documents in this regard.

8.04 Payments and Payment Plans.

(a) The Association must provide a receipt for payment of assessments, indicating the date of payment and the person who received it, if requested by a Member.

(b) The Association must inform all Members of a mailing address for overnight payments.

(c) A Member may dispute an assessment debt by submitting to the Association a request for dispute resolution under Civil Code Section 1363.810 through 1363.840. The Association may not commence foreclosure without participating in dispute resolution under Civil Code Section 1369.510 through 1369.580 if requested by the Member.

(d) A Member may submit a written request to meet with the Board to discuss a payment plan for the debt pursuant to the Governing Documents. The Board shall meet with the Member in executive session or by a designated committee of one or more Members within forty-five (45) days of the postmark of the request, if the request is mailed within fifteen (15) days of the date of the postmark of the Notice of Delinquent Assessment.

(1) Payment plans may incorporate any assessments that accrue during the payment plan period.

(2) Payment plans shall not impede the Association's ability to record a lien on the Member's Unit to secure payment of delinquent Assessments.

(3) Additional late fees shall not accrue during the payment plan period if the Member is in compliance with the terms of the payment plan.

(e) In the event of a default on any payment plan, the Association may resume its efforts to collect the Delinquent Assessments from the time prior to entering into the payment plan.

8.05 **Rules Changes.**

(a) Notice of any proposed operating rule change related to any of the following subjects shall be given as set forth in Civil Code Section 1357.130 or any successor statute:

- (1) Use of the Common Area or of an exclusive use Common Area.
- (2) Use of a Unit, including any aesthetic or architectural standards that govern alteration of a Unit.
- (3) Member discipline, including any schedule of monetary penalties for violation of the Governing Documents and any procedure for the imposition of penalties.
- (4) Any standards for delinquent assessment payment plans.
- (5) Any procedures adopted by the association for resolution of disputes.
- (6) Any procedures for reviewing and approving or disapproving a proposed physical change to a member's Unit or to the Common Area.
- (7) Procedures for elections.

(b) The following actions by the Board are not subject to the noticing requirements set forth in Civil Code Section 1357.130 or any successor statute:

- (1) A decision regarding maintenance of the Common Area.
- (2) A decision on a specific matter that is not intended to apply generally.
- (3) A decision setting the amount of a Regular or Special Assessment, subject to Civil Code 1366 (or any successor statute), and restrictions set forth in Declaration Section entitled Assessment Duties of the Board of Directors.
- (4) A rule change that is required by law, if the Board of Directors has no discretion as to the substantive effect of the rule change.
- (5) Issuance of a document that merely repeats existing law or the Governing Documents.

(c) Any rule change made by the Board pursuant to section 3.09(a) may be reversed at a special meeting of the Members called and conducted in the manner set forth in Civil Code section 1357.140 or any successor statute.

ARTICLE IX

Indemnification and Liability

9.01 **Liability of the Board and Officers.**

Board Members and Association Officers are not liable if they perform their duties in conformance with Corporations Code Sections 7231 and 7231.5, and Civil Code Section 1365.7.

9.02 **Indemnification of Agents.**

The Association shall carry directors and officers liability coverage in its insurance policy, and the Association shall indemnify any present or former director, officer, employee or other agent of the Association to the fullest extent authorized under California Corporations Code Section 7237, or any successor statute, and may advance to any such person funds to pay expenses that may be incurred in defending any action or proceeding.

ARTICLE X

Miscellaneous

10.01 **Checks, Drafts, etc.**

All checks, drafts and other orders for payment, or evidence of indebtedness regarding the Association or any withdrawal of funds from the reserve accounts must be signed by at least two (2) person(s) as the Board may authorize.

10.02 **Conflicts.**

- (a) In case of conflict between the Declaration and these Bylaws, the Declaration will control.
- (b) In case of conflict between these Bylaws and any applicable State of California law or statute, the law or statute will control.

10.03 **Notices.**

Unless otherwise specified, giving of all notices shall conform with the provision specified for notices in the Declaration.

ARTICLE XI

Amendments

11.01 **Amendments.**

- (a) The Association may amend these Bylaws by the approval of a majority of the total voting power of the Association.
- (b) The specified percentage of members necessary to amend a specific section or provision of these Bylaws shall not be less than the percentage of affirmative votes prescribed for action to be taken under that section or provision.

ASSOCIATION SIGNATURE

I, **THE UNDERSIGNED SECRETARY**, certify that the foregoing Bylaws have been approved by a majority of the members of the Association.

X 
By: **TEENA SMITH**
Its: ASSOCIATION SECRETARY

END