

**THIRD RESTATED BY-LAWS OF LAKE FOREST GLEN UNIT NO. 1
HOMEOWNERS ASSOCIATION**

MAY 22, 2010

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**THIRD RESTATED BY-LAWS OF LAKE FOREST GLEN UNIT NO. 1
HOMEOWNERS ASSOCIATION**

ARTICLE I

Recitals and Definitions

[1.1] Name of Association. The name of this corporation is the Lake Forest Glen Unit No. 1 Homeowners Association and shall be referred to herein as the "Association."

[1.2] Association Is Nonprofit. The Association has been formed pursuant to the California Nonprofit Mutual Benefit Corporation Law (Corporations Code sections 7110-8970) as a nonprofit mutual benefit corporation.

[1.3] Specific Purpose. The specific and primary purpose of this Association shall be to repair, maintain, and manage the Common Area and Common Facilities within that certain real estate common interest development located in the County of Placer, State of California, to maintain individual Lots and the Residences located thereon to the extent and in the manner more particularly described in the Declaration, enforce the Rules and Regulations adopted by the Board of Directors, from time to time, and the terms and conditions of the Declaration and otherwise to enhance and promote the use and enjoyment of the Common Areas and Common Facilities by the Owners in common.

[1.4] Definitions.

(a) **County.** The term "County" means the County of Placer, State of California.

(b) **Declaration.** The term "Declaration" means all restrictions, covenants, terms and conditions set forth in the Third Restated Declaration of Covenants, Conditions, and Restrictions recorded in the Office of the Placer County Recorder with respect to the Properties at Lake Forest Glen Unit No. 1 complex, 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 written ballots cast equals or exceeds the quorum requirement specified in Article V, section 5.5, below.

In the case of membership meetings, the voting power of a particular Member may be represented at the meeting by proxy as provided in Article IV, section 4.5.

(d) **Office of the Recorder.** The term "Office of the Recorder" means the Office of the Recorder, County of San Mateo, State of California.

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

(f) **Voting Power.** The term "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.

(g) **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

Principal Office

[2.1] Location of Principal Office. The principal office of the Association will be located at such place within the County as the Board may from time to time designate by resolution.

ARTICLE III

Membership

[3.1] 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.

[3.2] Term of Membership. Each Owner who is a Member shall remain a Member until he or she no longer qualifies as such under Article III, section 3.1, 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).

[3.3] 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 such persons shall be deemed to be one Member for voting purposes, although all such Owners shall have equal rights as Members to use and enjoy the Common Areas and Common Facilities. The Secretary of the Association shall be 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 no such notification is received the Secretary may accept the vote of any Owner of Record or proxy holder of such an Owner as the vote attributable to the lot in question, provided that if the multiple Owners of a lot attempt to vote the membership attributable to said lot in an inconsistent fashion, the Secretary or other person or persons designated as inspectors of election by the Board of Directors may refuse to count any ballot pertaining to the lot. However, the refusal to count said ballot shall not reduce the number of members present, for purposes of determining if there is a quorum.

[3.4] 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 Article III, section 3.1, above, and, if requested by the Secretary, has provided the secretary with evidence of such qualification in the form of a copy of a recorded grant deed (certified by the Office of the Recorder) or a currently effective policy of title insurance. Exercise of membership rights shall be further subject to the rules regarding

record dates for notice, voting, and actions by written ballot and eligibility for voting set forth in Article V, section 5.8.

ARTICLE IV

Membership Voting

[4.1] Single Class of Membership. The Association shall have one class of voting membership.

[4.2] 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 By-Laws 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 3.3 of these By-Laws.

[4.3] Eligibility To Vote. Only Members in good standing shall be entitled to vote on any issue or matter presented to the Members for approval. In order to be in good standing, a Member must be current in the payment of all assessments levied against the Member's lot and not be subject to any suspension of voting privileges as a result of any disciplinary proceeding conducted in accordance with Article X, section 10.5 of the Declaration. A Member's good standing shall be determined as of the record date established in accordance with Article V, section 5.8. 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.

A Member who owns more than one lot shall be ineligible to vote if that Member is delinquent with respect to any such lot.

[4.4] Manner of Casting Votes.

(a) Voting at Membership Meetings.

Due to the size of the Association's membership and the number of nonresident Members, all Member voting shall be conducted by written ballot as provided in Article IV, section 4.6. Voting at any membership meetings shall be limited to (i) the receipt of written ballots previously mailed to the Members; (ii) the conduct of informational, nonbinding votes to poll the Members in attendance with respect to a matter or of interest to the Association or the common interest development; (iii) to approve a motion for the submission of a matter or proposal to the members for a vote by written ballot in accordance with Article IV, section 4.6; or (iv) votes on procedural matters relating to the conduct of the meeting, such as a vote to adjourn. Any motion pursuant to subparagraph (iii) of the preceding sentence must be approved by the affirmative vote of at least 5 percent of the voting power of the Members. Nothing herein shall prevent a qualified Member from voting on any issue or election by casting a written ballot at such meeting.

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 voting power present at the meeting.

(b) Voting by Written Ballot. Except for the limited membership voting permitted at meetings (see subparagraph (a), above), Members' votes shall be solicited by written ballot with respect to any issue requiring membership approval under the Governing Documents or by law. Written ballot voting shall be conducted in accordance with Article IV, section 4.6.

(c) Proxy Voting. Members otherwise eligible to vote at a meeting may do so in person or by proxy issued as provided in Article IV, section 4.5.

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

[4.5] Proxies

(a) Proxies Generally. Any Member entitled to vote may do so either in person or by one or more agents authorized by a written proxy signed by the Member and filed with the Secretary of the Association. Any proxy shall be for a term not to exceed 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 shown on the forms of proxy presumptively determine the order of execution, regardless of the postmarks shown 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 3.1.

(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 or by law;

(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. 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 reference 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) If a proxy form issued in connection with the election of directors lists the candidates' names and 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 By-Laws repealing, restricting, or expanding proxy rights may be adopted without approval by the affirmative vote of a majority of the voting power of each class of Member represented and voting at a duly held meeting at which a quorum is present, or the affirmative vote of a majority of the voting power of Members by written ballot as provided in Article IV, section 4.6.

(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 need only be signed by one Owner. All such persons may attend meetings, but no vote of such Member shall be cast without the unanimous consent of all persons present at such meeting constituting each Member.

(g) No Proxy Voting in Connection With Written Ballots. Proxy voting shall not be allowed when Members' votes are solicited by written ballot in accordance with Article IV, section 4.6.

(h) Revocation of Proxies. Any proxy issued hereunder shall be revocable by the Member executing such proxy at any time prior to the vote pursuant thereto, by (i) delivery to the secretary of a written notice of revocation; or (ii) as to any meeting, by attendance at such meeting and voting in person by the Member executing the proxy. A proxy shall be deemed revoked when the secretary receives actual notice of the death or judicially declared incompetence of the issuing Member, or upon termination of such Member's status as an Owner of a Lot as provided in Article III, section 3.2, or upon receipt of written revocation by the member executing the proxy.

[4.6] Action by Written Ballot.

(a) **Definition of Written Ballot.** A “written ballot” is a ballot that is mailed or otherwise distributed to every Member entitled to vote on the matter and that complies with the requirements of this section 4.6. The term “written ballot” also includes 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 to the Members for approval by written ballot without the necessity of calling a meeting of the Members, as long as the requirements for action by written ballot set forth in this section 4.6 are satisfied. The determination to seek Member approval for Association action in this fashion shall be made by a majority vote of the Board.

Alternatively, that determination may be made by Members possessing 5 percent of the total voting power of the membership signing a written request and delivering this request to the President, Vice President or Secretary.

Once the determination is made to seek Member approval by written ballot, the Board shall establish a record date as provided in Article V, section 5.8 (a)(iii) for purposes of determining those Members eligible to cast written ballots.

(c) **Balloting Time Requirements.**

(i) **Director Elections.** The balloting in director elections shall be scheduled to culminate on the date of the annual membership meeting in the case of any vacancy created by the normal expiration of a director’s term of office. In the case of a special election called to fill a vacancy caused by the removal of a director, the balloting shall be scheduled to culminate on the date established for a special meeting called for the purpose of providing prospective candidates an opportunity to present their qualifications and platform to the members.

In the case of written ballots used in the election of directors, the ballots shall be mailed to all Members who are eligible to vote not more than 30 days prior to the date set for the election, but no less than 15 days prior to such date. If the Member elects to return his or her written ballot by mail or personal delivery to the address set forth in the solicitation materials for return of the ballots prior to the meeting at which the director election will be held, the written ballot must be received no later than the close of business on the second business day prior to the scheduled meeting date. If the Member elects to return his or her written ballot in person at the meeting, the ballot must be inserted in the ballot box prior to conclusion of the time scheduled on the meeting agenda for receipt of ballots and conclusion of the election process at the meeting.

(ii) **Other Matters.** In the case of any other matter or issue submitted to the Members for approval by written ballot, the Board shall distribute the written ballot to every Member entitled to vote on the matter at least 30 days prior to the final date the written ballots are to be received to be counted.

(iii) **Extension of the Balloting Period.** The time fixed for the return of written ballots may be extended only if the Board so notifies the Members in the balloting materials originally sent to Members and then for not more than two successive periods of 30 days each.

Notwithstanding the foregoing, if a meeting that is scheduled to coincide with culmination of a director election is adjourned without concluding the election process, the time fixed for the return of written ballots in the director election shall be extended to the date the adjourned meeting is reconvened.

(d) Content of Written Ballots.

(i) Written Ballots Used for Voting in Director Elections. Written ballots used in any election of directors shall set forth the names of the candidates whose names have been placed in nomination at the time the ballot is issued as provided in Article VII, section 7.4. The ballot form shall also provide a space where the Member can designate a vote for another (write-in) candidate.

(ii) Written Ballots Used for Voting on Other Matters. 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.

(iii) Specification of Time for Return of Written Ballot. All written ballots shall state the time by which the ballot must be received in order to be counted (see subparagraph (c) above).

(e) Requirements for Valid Member Action by Written Ballot. Membership approval by written ballot shall be valid only 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 5.5 that would have been required to be present at a membership meeting if 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.

If the time for returning written ballots is extended in accordance with subparagraph (c)(iii), above, the reduced quorum percentage specified in Article V, section 5.5(a)(iii) shall apply during the extension period(s).

(f) Solicitation Rules.

(i) Solicitation Rules Generally. Written ballots shall be solicited in a manner consistent with the requirements of Article V, section 5.4, pertaining to the issuance of notices of Members' meetings. All solicitations of written ballots shall indicate (A) the number of responses needed to meet the quorum requirement for valid action; (B) the time by which the written ballot must be received by the Association in order to be counted; and (C) in the case of any written ballot distributed to vote on matters other than the election of directors, the percentage of affirmative votes necessary to approve the measure submitted for membership approval. If the period for the return of written ballots is extended under subparagraph (c)(iii), above, the Board shall be entitled to announce to the Members the aggregate votes for or against the proposal received as of the extension date.

(ii) Director Elections. In addition to the requirements of subparagraph (i), above, solicitation materials accompanying written ballots distributed in director elections shall advise

the Members that their ballots may be returned by mail or personal delivery to the Association's principal office.

If a Member attends the membership meeting in person and has not returned the ballot by mail, it will be necessary for the Member to register during the registration period and receive a different form of ballot. The solicitation materials shall also set forth the address where written ballots can be returned by mail or personal delivery in advance of the meeting at which the election will be held.

(g) Independent Election Inspector.

(i) The Board of Directors shall appoint one independent third party as an inspector of election. The Board of Directors may appoint the Association's attorney(s), accountant(s) or any other reasonably qualified independent neutral third party as election inspector. The number of inspectors shall be one. The inspector shall do all of the following:

(A) Determine the number of memberships entitled to vote and the voting power of each.

(B) Determine the authenticity, validity, and effect of proxies, if any.

(C) Receive ballots.

(D) Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.

(E) Count and tabulate all votes. Count and tabulation shall occur at a properly noticed open meeting of the Board of Directors or members. 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) Determine when the polls shall close.

(G) Determine the result of the election. The results of the election shall be promptly reported to the Board of Directors of the association and shall be recorded in the minutes of the next meeting of the Board of Directors and shall be available for review by members of the association.

(H) Perform any acts as may be proper to conduct the election with fairness to all members in accordance with this section and all applicable rules of the association regarding the conduct of the election that are not in conflict with this section.

(ii) An inspector of election shall perform his or her duties impartially, in good faith, to the best of his or her ability, and as expeditiously as practical.

(iii) The sealed ballots shall at all times be in the custody of the inspector of election or at a location designated by the inspector until after the tabulation of the vote, at which time

custody shall be transferred to the association. If the Association attorney is the election inspector, retention by the attorney shall be considered a transfer to the Association.

(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. In the case of an election of directors, the Board shall also notify those Members present at the meeting of the results of the election immediately upon conclusion of the balloting process. If the number of written ballots cast with respect to any matter is insufficient to satisfy the minimum quorum requirements for valid action, the Board shall so notify the Members.

(i) Revocation of Written Ballots. If a Member who has cast a written ballot desires to change his or her vote, the Member may do so provided he or she so notifies the Secretary of the Association in writing prior to close of the balloting period and casts a new ballot within the balloting period.

(j) Conduct of Informational Meetings. Use of the written ballot procedures provided herein shall not preclude the Association from also conducting informational meetings of the Members or from scheduling a membership meeting to coincide with the culmination of the balloting period. In the case of director elections, the balloting period shall culminate with the annual meeting, or any special meeting, at which the election is scheduled to be held (see subparagraph (c)(i) above).

[4.7] Majority Vote Required. If a quorum is present, the affirmative vote of the majority of the voting power of Members represented at the meeting, entitled to vote and voting on any matter (other than the election of directors), shall be the act of the Members, unless the vote of a greater number is required by 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.

[4.8] 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. When an action is taken by written consent, the consent(s) shall be filed with the Association's minutes.

ARTICLE V

Membership Meetings

[5.1] 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.

[5.2] Annual Meeting. An annual meeting of the Members shall be held on a Saturday in October of each year. The location of the meeting shall be established by the Board and set forth in the notice of meeting sent to the Members. If the date for the annual meeting is a legal

holiday, the annual meeting shall be held at the same hour on the Saturday next following the regular annual meeting date.

[5.3] 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 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 mail or by electronic mail or 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 this section 5.3, 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 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.

[5.4] 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 Article V, section 5.8.

(b) **Time Requirements for Notice.** The notice of membership meetings shall be given in the manner specified in subparagraph (e) of this section 5.4, 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. In the case of a special meeting, the notice shall also state the general nature of the business to be transacted, and no other business may in that case be transacted at the special meeting. In the case of a regular meeting, the notice shall also describe those matters that 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.

(d) **Specification of Certain Significant Actions.** If any 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 7.6 of these By-Laws;
- (iii) Amending the Articles of Incorporation of this Association, these By-Laws 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 by law; 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, electronic mail, 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 electronic mail 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 when the notice is delivered personally or deposited in the mail (postage prepaid) or sent by electronic mail or other means of written or electronic communication to the recipient.

(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 of the giving of notice.

[5.5] 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 4.6 of these By-Laws:

(i) Quorum for Votes on Assessment Increases and of removal of Directors from office. In the case of any membership meeting or written ballot called or conducted for the purpose of voting on assessment increases requiring membership approval as provided in Article IV of the Declaration or by law and removal of any director from office, the quorum requirement for valid action on the proposal shall be the percentage specified in Civil Code section 1366, as

