

**BYLAWS OF
MT. JUDAH CONDOMINIUM OWNERS ASSOCIATION**

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TABLE OF CONTENTS

ARTICLE 1. GENERAL PROVISIONS.....	1
<u>Section 1.1</u> Name	1
<u>Section 1.2</u> Definitions	1
<u>Section 1.3</u> Purpose	1
ARTICLE 2. MEMBERSHIP AND VOTING RIGHTS	1
<u>Section 2.1</u> Qualifications	1
<u>Section 2.2</u> Transfer of Membership	1
<u>Section 2.3</u> Voting Rights	2
<u>Section 2.4</u> Joint Owner Disputes	2
<u>Section 2.5</u> Members' Rights and Duties	3
ARTICLE 3. MEMBERSHIP ASSESSMENTS AND LIEN RIGHTS	3
<u>Section 3.1</u> Membership Assessments	3
<u>Section 3.2</u> Enforcement; Lien Rights	3
ARTICLE 4. MEMBERSHIP RIGHTS AND PRIVILEGES.....	3
<u>Section 4.1</u> Rights and Privileges of Members	3
<u>Section 4.2</u> Rules	3
<u>Section 4.3</u> Suspension of Voting Rights; Imposition of Monetary Penalties.	4
ARTICLE 5. MEETINGS OF MEMBERS.....	5
<u>Section 5.1</u> Place of Meeting.....	5
<u>Section 5.2</u> Annual Meetings of Members.....	5
<u>Section 5.3</u> Special Meetings	5
<u>Section 5.4</u> Notice of Certain Agenda Items	6
<u>Section 5.5</u> Manner of Giving Notice	6
<u>Section 5.6</u> Adjourned Meetings and Notices Thereof	6
<u>Section 5.7</u> Quorum.....	7
<u>Section 5.8</u> Consent of Absentees	8
<u>Section 5.9</u> Waiver by Attendance	8
<u>Section 5.10</u> Action without Meeting.....	8
<u>Section 5.11</u> Record Date.....	9
<u>Section 5.12</u> Proxies	9
<u>Section 5.13</u> Inspectors of Election.....	10
ARTICLE 6. DIRECTORS	10
<u>Section 6.1</u> Number, Qualifications, and Term of Office	10
<u>Section 6.2</u> Nominating Committee	11
<u>Section 6.3</u> Removal and Vacancies	11

<u>Section 6.4</u>	Place of Meeting.....	12
<u>Section 6.5</u>	Organization Meeting of the Board.....	12
<u>Section 6.6</u>	Other Regular Meetings	12
<u>Section 6.7</u>	Special Meetings	13
<u>Section 6.8</u>	Meetings by Telephone.....	13
<u>Section 6.9</u>	Quorum Requirement, Waiver of Notice	13
<u>Section 6.10</u>	Action Without Meeting.....	13
<u>Section 6.11</u>	Quorum.....	13
<u>Section 6.12</u>	Adjournment.....	13
<u>Section 6.13</u>	Open Meetings.....	14
<u>Section 6.14</u>	Compensation.....	14
<u>Section 6.15</u>	Committees.....	14
<u>Section 6.16</u>	Powers and Duties	15
<u>Section 6.17</u>	Minutes of Meetings.....	15
ARTICLE 7. OFFICERS		15
<u>Section 7.1</u>	Enumeration of Officers.....	15
<u>Section 7.2</u>	Subordinate Officers.....	15
<u>Section 7.3</u>	Election.....	16
<u>Section 7.4</u>	Term	16
<u>Section 7.5</u>	Resignation of Officers	16
<u>Section 7.6</u>	President.....	16
<u>Section 7.7</u>	Vice President.....	16
<u>Section 7.8</u>	Secretary.....	16
<u>Section 7.9</u>	Treasurer.....	17
ARTICLE 8. INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS.....		17
<u>Section 8.1</u>	Definitions	17
<u>Section 8.2</u>	Successful Defense by Agent.....	17
<u>Section 8.3</u>	Actions Brought by Persons Other than the Condominium Association.....	17
<u>Section 8.4</u>	Action Brought by or on Behalf of the Condominium Association.....	18
<u>Section 8.5</u>	Determination of Agent's Good Faith Conduct	18
<u>Section 8.6</u>	Limitations.....	19
<u>Section 8.7</u>	Advance of Expenses	19
<u>Section 8.8</u>	Contractual Rights of Non-Directors and Non-officers	19
<u>Section 8.9</u>	Insurance	19
ARTICLE 9. MISCELLANEOUS		19
<u>Section 9.1</u>	Checks, Drafts and Other Evidence of Indebtedness	19
<u>Section 9.2</u>	Contracts; How Executed	20
<u>Section 9.3</u>	Inspection of Bylaws	20
<u>Section 9.4</u>	Fiscal Year.....	20
<u>Section 9.5</u>	Maintenance and Inspection of Other Corporate Records	20
<u>Section 9.6</u>	Annual Report to Members	21
ARTICLE 10. EVIDENCE OF MEMBERSHIP, SEAL		21

Section 10.1 Evidence of Membership.....21
Section 10.2 Seal 21

ARTICLE 11. AMENDMENTS, CONFLICTS.....21
Section 11.1 Amendments.....21
Section 11.2 Conflicts21

ARTICLE 12. DISSOLUTION21

BYLAWS OF
MT. JUDAH CONDOMINIUM OWNERS ASSOCIATION

ARTICLE 1.

GENERAL PROVISIONS

Section 1.1 Name. The name of the association is Mt. Judah Condominium Owners Association (the "Condominium Association"). The principal office of the Condominium Association shall be at such place in the County of Placer, State of California as the Board of Directors may designate from time to time.

Section 1.2 Definitions. Unless expressly indicated to the contrary, the terms used herein shall have the following meanings:

(a) Declaration. That certain Declaration of Covenants, Conditions and Restrictions for Mt. Judah Condominiums, recorded September 15, 2006, as Instrument No. 2006-0098885 of Official Records of Placer County, California, and all amendments thereto.

(b) Additional Terms. The defined terms used in these Bylaws shall have the meaning designated in the Declaration unless otherwise indicated herein.

Section 1.3 Purpose. The Condominium Association has been formed for the purpose of exercising the powers and performing the duties of the Condominium Association set forth in these Bylaws, the Articles of Incorporation of the Condominium Association and the Declaration.

ARTICLE 2.

MEMBERSHIP AND VOTING RIGHTS

Section 2.1 Qualifications. Each owner of a Condominium shall be a member of the Condominium Association. If a Condominium is owned by more than one (1) Owner, all such Owners shall be Members of the Condominium Association; provided, however, that for the purposes of the representation of such Condominium with regard to the affairs of the Condominium Association and the voting of the Members of the Condominium Association, such Condominium, except as provided in Section 2.3 of these Bylaws, shall be represented by and entitled to only one (1) vote which shall be exercised and cast in accordance with the provisions of these Bylaws. Ownership of a Condominium shall be the sole qualification for membership in the Condominium Association.

Section 2.2 Transfer of Membership. The Condominium Association membership of each Owner shall be appurtenant to the Condominium giving rise to such membership and shall not be assigned, transferred, pledged, conveyed or alienated in any way except upon the transfer of title to said Condominium and then only to the transferee of title to said Condominium. Any

attempt to make a prohibited transfer shall be void. Any transfer of title to a Condominium shall operate automatically to transfer the membership in the Condominium Association appurtenant thereto to the new Owner thereof.

Section 2.3 Voting Rights.

(a) Number of Votes. The Condominium Association shall have two (2) classes of voting membership:

(i) Class A. Class A Members shall be all Owners, except Declarant, of a Condominium (and upon conversion of the Declarant's membership from Class B membership to Class A membership, all Owners of Condominiums, including Declarant). The number of Class A votes to which a Class A Member who owns a Condominium shall be entitled shall be one (1) for each Condominium owned.

When more than one (1) person is the Owner of a Condominium, all such persons shall be Members; provided, however, that in no event shall more than the vote specified above be cast with respect to any Condominium except as set forth above.

(ii) Class B. The Class B Member shall be the Declarant, who shall be entitled to a total of three (3) votes for each Condominium owned in which no Fractional Interest has been conveyed.

Class B membership shall cease and Declarant's membership shall be converted (hereinafter the "Conversion Date") to Class A membership (entitling Declarant to one (1) vote for each Condominium owned in which no Fractional Interest has been conveyed (instead of three (3) votes, on the happening of the earlier of the following events:

(A) The second anniversary of the issuance of the most recently issued public report by the DRE for the Project;

(B) The fourth anniversary of the issuance of the Original Public Report.

Whenever these Bylaws, the Declaration or the Articles require the vote, assent or presence of a stated number of Owners or Members entitled to vote on a matter or at a meeting with regard to the taking of any action or any other matter whatsoever, the provisions of this Article II and Section 4.3 of these Bylaws shall govern as to the total number of available votes, the number of votes an Owner is entitled to cast at the meeting, and the manner in which the vote attributable to a Condominium having more than one (1) Owner shall be cast.

Section 2.4 Joint Owner Disputes. The vote, or votes, for each Condominium may be cast only as a unit, and split or fractional votes shall not be allowed. Accordingly, if any Owner or Owners cast(s) a vote or votes representing a certain Condominium, it will thereafter be conclusively presumed for all purposes that such Owner(s) was (were) acting with the authority and consent of all other Owners of the same Condominium. If more than one (1) Owner casts a

vote for a particular Condominium, none of said votes shall be counted and said votes shall be deemed void.

Section 2.5 Members' Rights and Duties. Each Member shall have the rights, duties and obligations set forth in these Bylaws, the Articles and the Declaration, as the same may be amended from time to time.

ARTICLE 3.

MEMBERSHIP ASSESSMENTS AND LIEN RIGHTS

Section 3.1 Membership Assessments. Assessments and Personal Charges provided for in the Declaration, together with all other Assessments of the Members provided for in the Declaration, shall be paid by the Members at the time, in the manner and subject to the conditions and limitations set forth in the Declaration, and the Board shall fix, levy, collect and enforce such assessments at the time, in the manner and subject to the limitations set forth in the Declaration.

Section 3.2 Enforcement; Lien Rights. For the purpose of enforcing and collecting Assessments, this the Condominium Association shall have the lien rights set forth in the Declaration, which lien rights shall be enforceable by the Board in the manner set forth in the Declaration. The Board shall also have and be entitled to exercise all other rights and remedies set forth in the Declaration or otherwise provided for at law or in equity.

ARTICLE 4.

MEMBERSHIP RIGHTS AND PRIVILEGES

Section 4.1 Rights and Privileges of Members. No Member shall have the right, without the prior approval of the Board, to exercise any of the powers or to perform any of the acts delegated to the Board by these Bylaws or the Declaration. Each Member shall have all of the rights and privileges granted to the Members by these Bylaws and the Declaration subject to such limitations as may be imposed in accordance therewith.

Section 4.2 Rules. Upon notice and hearing the Board may establish such rules, regulations and prerequisite conditions to the use of the Condominium Units (other than the Fractional Units), the Common Areas and the Condominium Property and the facilities thereon as it, in its sole discretion, deems appropriate, so long only as such rules, regulations and conditions do not materially abridge the rights of Members as set forth in the Declaration. Upon notice and hearing, the Board may establish rules, regulations, and fees for and prerequisite conditions to the use of the Common Areas and the Condominium Property and facilities thereon by persons who are not Members or Members' guests. Upon notice and hearing, the Board may determine whether admission and/or other fees shall be charged for the use of any recreational facilities situated upon any of the Common Areas and the Condominium Property. Any such admission or other fees (as distinguished from Assessments) shall apply equally to all Members of the Condominium Association (but need not be the same as such fees for persons who are not

Members) and shall be used first by the Condominium Association for expenses of maintenance, repair and operation of any recreation facility the use of which is subject to an admission or other fee set by the Board, until all monies derived from such admissions and fees have been expended therefor.

Section 4.3 Suspension of Voting Rights; Imposition of Monetary Penalties.

(a) The Board may, without notice or hearing, suspend the rights of use and/or the voting rights of any Owner for the period during which any Assessment or other amount owed by such Owner to the Condominium Association remains unpaid and delinquent; provided, however, that the Board may delegate its authority under this subsection 4.3(a) to the Managing Agent, and the suspension shall relate specifically to the Condominium with respect to which such amounts are owed to the Condominium Association.

(b) The Board shall also have the right to suspend such use rights and/or voting rights and to impose monetary penalties for any other failure to comply with the Declaration or the Rules and Regulations by any Owner, his servants, guests, tenants, invitees or the members of his family; provided that any such suspension of use rights and/or voting rights shall be made or monetary penalties imposed by the Board only after a meeting of the Board at which a quorum of the Board is present, duly called and held for such purpose in the same manner as provided in these Bylaws for the noticing, calling and holding of a special meeting of the Board and that such suspension of use rights and/or voting rights shall relate specifically to the Condominium with respect to which the Owner is in noncompliance. Written notice of such meeting, including notice of the proposed actions of the Board and the reasons therefor, shall be given at least fifteen (15) days prior to the holding of such meeting to the Owner whose use rights and/or voting rights are being sought to be suspended or against whom monetary penalties are sought to be imposed. Such notice shall be given either by personal delivery or deposited in the United States mail, certified or registered, postage and fees prepaid, return receipt requested, addressed to such Owner at the address given to the Condominium Association by him for the purpose of giving notice. Such notice, if mailed, shall be deemed given and received forty-eight (48) hours after being so deposited in the United States mail. The Owner whose use rights and/or voting rights are being sought to be suspended or against whom monetary penalties are sought to be imposed shall be entitled to appear at such meeting and present his case as to why use rights and/or voting rights should not be suspended or such monetary penalties should not be imposed. The decision as to whether such rights should be suspended or such monetary penalties should be imposed shall be made by a majority of the members of the Board present at such meeting and shall be binding upon all Owners. No action taken at such meeting shall be effective unless a quorum of the Board is present.

(c) No suspension of use rights and/or voting rights or imposition of monetary penalties against an Owner shall be effective unless and until written notice has been given to the Owner of the suspension, the reason(s) therefor and the length thereof.

ARTICLE 5.

MEETINGS OF MEMBERS

Section 5.1 Place of Meeting. All meetings of the Members shall be held within the Property or as close thereto as may be practical.

Section 5.2 Annual Meetings of Members. The annual meetings of Members shall be held each year in the same month (or as near in time thereto as reasonably possible) in which the organization meeting was held commencing with the year immediately following the year during which the organization meeting is held. The organization meeting shall be held within 365 days following the date upon which the first Original Deed is recorded by the Declarant. At the organization meeting, and at subsequent annual meetings there shall be elected by written ballot of the Members a Board of Directors in accordance with the requirements of these Bylaws. The Members may also transact such other business of the Condominium Association as may properly come before them at such organization or annual meeting.

Written notice of both the organization meeting and each annual meeting shall be given to each Member by the Secretary or, in the case of the organization meeting only, by the Declarant, in the manner hereinafter provided. All such notices of any organization or annual meeting shall be sent to each Member and the not less than thirty (30) days and not more than ninety (90) days before such meeting, and shall specify the place, the day and the hour of such meeting and shall generally state those matters which the Board, at the time of mailing of the notice, intends to present for action by the Members (but any proper matter may be presented for action at such meeting). The notice of any meeting at which Directors are to be elected shall include the names, addresses and brief biographical sketches of those who are nominees at the time the notice is sent to Members.

Section 5.3 Special Meetings. Special meetings of Members, for any purpose or purposes whatsoever, may be called at any time by a majority of the Board or by Members representing five percent (5%) or more of the total voting power of all Members other than Declarant provided that no special meeting may be held or called prior to the organization meeting. Except in special cases where other express provision is made by statute, these Bylaws or the Declaration, notice of such special meetings shall be given in the same manner as for annual meetings and may be given by any person or persons entitled to call such meeting. Notices of any special meetings shall specify in addition to the place, day and hour of such meeting, the general nature of the business to be transacted (and no other business may be transacted).

If a special meeting is called by Members, 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 registered mail or by telegraphic or other facsimile transmission to the President, any Vice-President or the Secretary of the Condominium Association. The officer receiving the request shall cause notice to be promptly given to the Members entitled to vote, that a meeting will be held, and the date for such meeting, which date shall be not less than thirty (30) nor more than ninety (90) days following the receipt of the

request. If the notice is not given within twenty (20) days after receipt of the request, the persons requesting the meeting may give the notice.

Section 5.4 Notice of Certain Agenda Items. If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s):

- (a) Removing a Director without cause;
- (b) Filling vacancies on the Board by the Members;
- (c) Amending the Articles;
- (d) Approving a contract or transaction in which a Director has a material financial interest;
- (e) Approving a plan of distribution of assets, other than cash, in liquidation when the Condominium Association has more than one (1) class of memberships outstanding.
- (f) Approving any budget which increases the Members' obligations to the Condominium Association.

If the action proposed to be taken is the removal of the entire Board of Directors, the notice shall also specify that a replacement Board of Directors shall be elected at the same meeting from nominees who will be nominated by those present at the meeting and the notice shall conspicuously advise those interested in making nominations to be present at the meeting either in person or by proxy.

Section 5.5 Manner of Giving Notice. Notice of any meeting of the Members shall be given either personally or by first class mail, telegraphic or other written communication, charges prepaid, addressed to each Member at the address given by the Member, as the case may be, to the Condominium Association for the purpose of notice. If no address appears on the Condominium Association's books and no other has been given, notice shall be deemed to have been given to the Member if either (i) notice is sent to that Member by first-class mail or telegraphic or other written communication to the Condominium Association's principal executive office, or (ii) notice is published at least once in a newspaper of general circulation in the County of Placer, State of California. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication. An affidavit of the mailing or other means of giving any notice of any Members' meeting may be executed by the Secretary, Assistant Secretary, or any other party of the Condominium Association giving the notice, and if so executed, shall be filed and maintained in the minute book of the Condominium Association.

Section 5.6 Adjourned Meetings and Notices Thereof. Any membership meeting, organization, annual or special, whether or not a quorum is present, may be adjourned from time to time by the affirmative vote of a majority of the votes entitled to be cast and represented at

such meeting in person or by proxy, but in the absence of a quorum, no other business may be transacted at any such meeting unless these Bylaws or the Declaration otherwise provide.

When any membership meeting, either organizational, annual or special, is adjourned for thirty (30) days or more, notice of the reconvening of the adjourned meeting shall be given as in the case of the original meeting so adjourned. Except as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at any adjourned meeting, other than by an announcement at the meeting at which such adjournment is taken.

Section 5.7 Quorum.

(a) Definitions. For purposes of this Section 5.7, the following terms shall have the following meanings:

(i) "Net Total Votes" means that number of votes which is equal to the, difference between (a) the total number of votes in the Condominium Association, and (b) the, number of votes as to which voting rights are suspended at the time of the subject meeting in accordance with these Bylaws.

(ii) "Non-Declarant Net Total Votes" means that number of votes which is equal to the difference between (a) the total number of votes in the Condominium Association of Members other than Declarant and (b) the number of votes of Members other than Declarant as to which voting rights are suspended at the time of the subject meeting in accordance with these Bylaws.

(b) Quorum. Prior to the Conversion Date (as defined in Section 2.3, above), the presence either in person or by proxy at a Members' meeting of Members other than Declarant representing and entitled to cast at least fifteen percent (15%) of the Non-Declarant Net Total Votes shall constitute a quorum for any action by the Members, unless a different requirement is imposed by these Bylaws, the Articles or the Declaration. From and after the Conversion Date, the presence either in person or by proxy at a Members' meeting of Members representing and entitled to cast at least fifteen percent (15%) of the Net Total Votes shall constitute a quorum for any action by the Members, unless a different requirement is imposed by these Bylaws, the Articles or the Declaration. A majority of the total votes cast on a particular matter voted upon at a meeting at which a quorum is present shall prevail at such meetings, unless a different percentage is required by these Bylaws, the Articles or the Declaration. Subject to the provisions of Section 5.4 of these Bylaws and unless otherwise expressly authorized by these Bylaws or the Declaration, all action required or permitted to be taken by the Members may be taken only at a duly called and properly noticed organization, annual or special meeting at which a quorum is present. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members so that less than a quorum is present if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum; provided, however, that if less than one-third (1/3) of the total voting power of the Condominium Association is in attendance, in person or by proxy, only those matters of business, the general nature of

which was given in the notice of the meeting, may be voted upon by the Members. If any meeting cannot be held because a quorum is not present, a majority of the Members present either in person or by proxy and entitled to vote, may adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called.

Section 5.8 Consent of Absentees. The transactions of any meeting of Members, either organization, annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the Members entitled to vote and not present in person or by proxy, signs a written waiver of notice, or a consent of the holding of such meeting, or an approval of the minutes thereof. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of Members, except that if action is taken or proposed to be taken for approval of any of the matters specified in Section 5.4 of these Bylaws, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 5.9 Waiver by Attendance. Attendance by a person at a meeting shall also constitute a waiver of notice of that meeting, except when the person objects at the beginning of the meeting to the transaction of any business due to the inadequacy or illegality of the notice. Also, 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, if that objection is expressly made at the meeting.

Section 5.10 Action without Meeting. Any action, other than the election of Directors, which under the provisions of the California nonprofit mutual benefit corporation law may be taken at a meeting of the Members, may be taken without a meeting and without prior notice if (a) the written ballot is distributed to every Member entitled to vote, which ballot provides an opportunity to specify approval or disapproval of each order of business proposed to be acted upon by the Condominium Association, (b) the required number of signed approvals in writing, setting forth the action so taken, is received, (c) the number of ballots cast within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (d) the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of ballots cast.

Ballots shall be solicited in a manner consistent with the requirements of the California nonprofit mutual benefit corporation law. All such solicitations shall indicate the number of responses needed to meet the quorum requirement and with respect to ballots other than for the election of Directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted and that a ballot received within the specified time will be cast in accordance with the choice(s) specified by the Member casting the ballot.

Subject to the applicable provisions of the California nonprofit mutual benefit corporation law, any Member casting a ballot, or the proxy holders of a Member or a transferee of a membership or a personal representative of the Member, or their respective proxy holders,

may revoke the ballot, or substitute another, by a writing received by the Condominium Association prior to the time specified in the solicitation pursuant to the preceding paragraph, but may not do so thereafter. Such revocation is effective upon its receipt by the Secretary of the Condominium Association.

Section 5.11 Record Date. The Board of Directors may fix a date in the future as a record date for the determination of the Members entitled to notice of and to vote at any meeting of Members. The record date so fixed shall not be more than sixty (60) days prior to any other action. When a record date is so fixed, only Members of record on that date shall be entitled to notice of and to vote at the meeting, notwithstanding any transfer of or issuance of membership certificates on the books of the Condominium Association after the record date.

If no record date is fixed in accordance with the provisions of the preceding paragraph, the record date for determining those Members entitled to receive notice of, or to vote at, a meeting of Members shall be the next business day preceding the day on which notice is given, or, if notice is waived, the next business day preceding the day on which the meeting is held. The record date for determining those Members entitled to vote by ballot on corporate action without a meeting, when no prior action by the Board has been taken, shall be the day on which the first written consent is given. 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. For purposes of this paragraph and the preceding paragraph, a person holding membership as of the close of business on the record date shall be deemed the Member of record.

Section 5.12 Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the Secretary of the the Condominium Association prior to the commencement of the meeting at which the proxy is to be exercised. A form of proxy distributed to each Member by the Condominium Association to afford him or her the opportunity to vote in absentia at a meeting of Members must (a) afford an opportunity for the Member to specify a choice between approval and disapproval of each order of business proposed to be acted upon by the Condominium Association at such meeting, (b) provide that the vote of the Member shall be cast in accordance with the choice specified, and (c) include the name or names of Members who expect to be in attendance in person at the meeting to whom the proxy is to be given for the purpose of casting the vote to reflect the absent Member's vote as specified in the form of proxy. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the Member executing it, before the vote cast pursuant to that proxy, by a writing delivered to the Condominium Association stating that the proxy is revoked by a subsequent proxy executed by such Member or by personal attendance and voting at a meeting by such Member or (ii) if written notice of the death or incapacity of the maker of the proxy is received by the Condominium Association before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of the California nonprofit mutual benefit corporation law. In any election of Directors, any form of proxy that is marked by a Member "withhold," or otherwise marked in a manner indicating that the authority to vote for the election of Directors is withheld, shall not be

voted either for or against the election of a Director, and shall not constitute a vote "cast" for purposes of determining whether a majority of votes present has been cast for or against any proposition. Failure to comply with this paragraph shall not invalidate any corporation election taken, but may be the basis for challenging the proxy at a meeting.

Section 5.13 Inspectors of Election. In advance of any meeting of Members, the Board may appoint inspectors of election to act at such meeting and any adjournment thereof. If inspectors of election be not so appointed, or if any persons so appointed fail to appear or refuse to act, the chairman of any such meeting may, and on the request of any Member or such party's proxy shall, make such appointment at the meeting. The number of inspectors shall be either one (1) or three (3). If appointed at a meeting on the request of one (1) or more Members, or proxies, the majority of Members represented in person or by proxy shall determine whether one (1) or three (3) inspectors are to be appointed.

The duties of such inspectors shall include: determining the number of memberships outstanding and the voting power of each; determining the membership represented at the meeting; determining the existence of a quorum; determining the authenticity, validity and effect or proxies; receiving votes, ballots or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining when the polls shall close; determining the result; and doing such acts as may be proper to conduct the election or vote with fairness to all Members. If there are three (3) inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all.

ARTICLE 6.

DIRECTORS

Section 6.1 Number, Qualifications, and Term of Office. The affairs of the Condominium Association shall be managed by a Board of five (5) Directors, each of whom must be a Member of the Condominium Association entitled to vote at the time of such Member's election or a representative of Declarant designated by Declarant. At the organization meeting, the Members shall elect five (5) Directors, three (3) of whom shall hold office for three (3) years; and two (2) of whom shall hold office for two (2) years. At each annual meeting of the Members commencing with the second annual meeting following the organization meeting of the Condominium Association, the Members shall elect a new Director to fill each vacancy created by the expiration of a prior Director's term of office. Such new Directors shall serve for a term of two (2) years or until the later election of their successors. From and after the first election of the Board by the Members, at least one (1) of the members of the Board shall be elected solely by the votes of the Members other than Declarant, which election of Directors shall be subject to the following special election procedures:

- (a) Nominations shall be made as set forth in Section 6.2 of these Bylaws.

(b) The procedure for election of Directors shall be as follows: The Secretary of the meeting shall call for nominations, if any, from the floor. Any person so nominated to stand for election shall have his or her name added to the written ballots to be used in the conduct of the election. Following the closing of nominations, the election of Directors shall be conducted by written ballot.

At the organizational meeting, the vote shall be counted in two (2) phases. First, the vote of all Members other than Declarant shall be counted to determine which of the nominees shall be elected solely by the vote of Members other than Declarant. The nominee receiving the highest vote total in this phase of the election shall be elected (for purposes of these Bylaws, such Director shall be referred to as the "Non-Declarant Director"). Second, once the Non-Declarant Director has been elected, the vote of all Members, including Declarant, shall be counted and the remaining positions on the Board shall be filled by those nominees (excluding the Non-Declarant Director) receiving the highest number of votes. The three (3) Directors receiving the highest number of votes among the Directors elected shall each serve an initial term of three (3) years. The remaining two (2) Directors shall each serve a two (2) year term.

At each subsequent annual election at which the Non-Declarant Director shall stand for re-election or such position shall be vacant, the procedure set forth in the preceding paragraph shall be used to elect the Directors to be elected at such meeting. At all other annual elections (at which the position of Non-Declarant Director is not up for election), Directors shall be elected in accordance with the vote of all Members, including Declarant.

Prior to the organizational meeting, the incorporator of the Condominium Association or the first Directors appointed by the incorporator shall serve as Directors of the Condominium Association. The number of Directors may be increased or decreased from time to time (but in no event shall be less than three (3)) by an amendment to these Bylaws by the Members as hereinafter provided in these Bylaws.

Section 6.2 Nominating Committee. The President of the Condominium Association shall appoint a committee to select qualified candidates for election to the Board, which nominations shall be concluded at least ninety-five (95) days preceding the first day of the month in which such election shall be held. The Secretary shall forward to each Member, with the notice of meeting required Section 5.2 of these Bylaws, a list of candidates nominated.

Members representing five percent (5%) of the membership may nominate candidates for the position of Director at any time before the fiftieth day preceding the first day of the month in which such election shall be held. On timely receipt of a petition signed by the required number of Members, the Secretary shall cause the names of the candidates named on it to be placed on the ballot along with those candidates named by the nominating committee. At the meeting to elect Directors, any Member present at the meeting, in person or by proxy, may place names in nomination.

Section 6.3 Removal and Vacancies. The entire Board or any individual Director may be removed from office, with or without cause, at any duly called, noticed and held annual or special meeting of the Members, at which a quorum is present, by a majority of the total votes cast on the removal of the Board or any individual Director at such meeting either in person or

by proxy, and entitled to vote; provided, however that unless the entire Board is removed from office by vote of the Members of the Condominium Association, no individual Director shall be removed prior to the expiration of his term of office if the votes cast against removal or not consenting in writing to such removal would be sufficient to elect the Director if voted cumulatively at an election at which the same number of votes were cast and the entire number of Directors authorized at the time of the most recent election of the Director were then being elected. The Non-Declarant Director may be removed from office prior to the expiration of his term of office only by the vote of at least a simple majority of the voting power residing in the Members other than Declarant who are present at the meeting either in person or by proxy. A vacancy in the Board created by the removal of a Director (other than the Non-Declarant Director) shall be filled by a majority of the remaining Directors at a meeting of the Board (a vacancy in the Board created by the removal of the Non-Declarant Director shall be filled by Members other than Declarant entitled to vote or so assent, who are present at the meeting either in person or by proxy, and each Director so appointed (or elected) shall hold office until his successor is elected at an annual meeting of Members or at a special meeting duly called for that purpose. A vacancy or vacancies shall be deemed to exist in case of the death, resignation or removal of any Director, or if the Members shall increase the authorized number of Directors but shall fail at the meeting at which such increase is authorized or any adjournment thereof to elect the additional Director so provided for, or in case the Members fail at any time to elect the full number of authorized Directors. In the event of an increase in the authorized number of Directors, no more than one (1) Director may be appointed, rather than elected, to fill a vacancy created thereby. If the Board accepts the resignation of a Director tendered to take effect at a future time, the Board shall have the power to elect a successor to take office when the resignation shall become effective.

In the event that any member of the Board shall be absent from four (4) consecutive regular meetings of the Board of Directors, the Board may, by action taken at the meeting during which said fourth (4th) absence occurs, declare the office of said absent Director to be vacant.

Section 6.4 Place of Meeting. All meetings of the Board shall be held within the Property if reasonably possible, otherwise at a place as close thereto as reasonably possible and within the County of Placer, as designated at any time by resolution of the Board or by written consent of a majority of the members of the Board.

Section 6.5 Organization Meeting of the Board. Immediately following the organization meeting and each annual meeting of the Members, the Board shall hold a regular meeting at the same place for the purpose of organization, election of officers and the transaction of other business. Notice of such meeting is hereby dispensed with.

Section 6.6 Other Regular Meetings. Other regular meetings of the Board shall be held at a time and at such place on the Property or as close thereto as reasonably possible, which place may be designated by the Board from time to time. Notice of the time and place of such meeting shall be communicated to each Director not less than thirty (30) days prior to the meeting. Regular meetings of the Board shall be held at least annually.

Section 6.7 Special Meetings. Special meetings of the Board for any purpose or purposes may be called by written notice at any time by the President (or if he is absent or unable or refuses to act, by any Vice President) or by any two (2) Directors.

Notice of the time and place of special meetings and of the nature of any special business to be considered shall be given to each Director by written notice given by first-class mail at least fifteen (15) days prior to the scheduled time of such meeting.

Whenever any Director has been absent from any special meeting of the Board and notice of such meeting has been duly given to such Director, an entry in the minutes to the effect that notice has been duly given shall be made.

Section 6.8 Meetings by Telephone. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, and any member of the Board may participate by conference telephone or similar communications equipment in a meeting at which other members of the Board are physically present, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

Section 6.9 Quorum Requirement, Waiver of Notice. The transaction of any business at any meeting of the Board, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present, unless a quorum is expressly not required pursuant to these Bylaws, and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

Section 6.10 Action Without Meeting. Any action required or permitted to be taken by the Board by law, according to the Articles or according to these Bylaws or the Declaration may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. 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 such Directors.

Section 6.11 Quorum. A majority of the Board shall constitute a quorum thereof. 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, in person or by telephone, shall be regarded as the act of the Board, unless the provisions of these Bylaws, the Articles or the Declaration, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) appointment of committees, and (c) indemnification of Directors, shall require or permit the particular action involved to be taken by the Board under other circumstances.

Section 6.12 Adjournment. A quorum of the Directors may adjourn any Directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the Directors present at the Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 6.13 Open Meetings.

(a) Regular and special meetings of the Board shall be open to all Members of the Condominium Association provided, however, that Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board. Any Member may request to be, and upon such request shall be, connected to a meeting by telephone conference call. If the number of Members requesting such connection exceeds three (3), the telephone conference call shall be deemed to be impractical and a telephone conference meeting may not be held.

(b) The Board may, with the approval of a majority of a quorum of its members, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Condominium Association is or may become involved and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 6.14 Compensation. No Director of the Condominium Association shall receive any salary or other compensation for services rendered as a Director or officer of the Condominium Association. However, Directors and officers shall be reimbursed for expenses incurred in connection with the business of the Condominium Association and authorized by the Board. Nothing herein shall preclude any Director from serving the Condominium Association in any capacity other than as an officer or a Director and receiving compensation therefor as authorized and approved by the Board. Any Director receiving any special compensation for services in such other capacity shall be excluded from deliberations and voting by the Board relative to the authorization thereof and fixing compensation with regard thereto.

Section 6.15 Committees. The Board shall have the power to appoint an Executive Committee and other committees and to delegate to such committees any of the powers and authority of the Board in the management of the business and affairs of the Condominium Association except the power to:

- (a) Amend, alter or repeal the Bylaws;
- (b) Elect, appoint or remove any member of any such committee or any director or officer of the Condominium Association;
- (c) Amend or repeal the articles, adopt a plan of merger or a plan of consolidation with another the Condominium Association;
- (d) Authorize the sale, lease or exchange of all of the property and assets of the Condominium Association;

(e) Authorize the voluntary dissolution of the Condominium Association or revoke proceedings therefor;

(f) Adopt a plan for the distribution of the assets of the Condominium Association;

(g) Amend, alter or repeal any resolution of the board of directors unless it provides by its terms that it may be amended, altered to repealed by a committee; or

(h) Approve any transaction (i) to which the Condominium Association is a party and one (1) or more Directors have a material financial interest or (ii) between the Condominium Association and one (1) or more of its Directors or (iii) between the Condominium Association and any entity in which one (1) or more of its Directors have a material financial interest.

Each Committee shall be composed of two (2) or more Directors and shall keep regular written minutes of the proceedings and report the same to the Board. One member of the Executive Committee shall be the President.

Section 6.16 Powers and Duties. Subject to the limitations of the Articles, these Bylaws, the Declaration and the California nonprofit mutual benefit corporation law as to action required to be taken, authorized or approved by the Members of the Condominium Association, or a portion or percentage thereof, all Condominium Association powers and duties including those set forth in the Declaration shall be exercised by, or under the authority of the Board, and the business and affairs of the Condominium Association shall be controlled by the Board.

Section 6.17 Minutes of Meetings. A copy of the written minutes of any meeting of the Board shall be provided to all Members within sixty (60) days after the adjournment of such meeting.

ARTICLE 7.

OFFICERS

Section 7.1 Enumeration of Officers. The officers of the Condominium Association shall be a President, Vice President, a Secretary, a Treasurer and such other officers as the Board may deem necessary. Any person may hold more than one (1) office, provided that neither the Secretary nor the Treasurer may serve concurrently as the President. The President, Vice President and Secretary shall be members of the Board. The Treasurer may be, but need not be a member of the Board. Each officer must be a Member of the Condominium Association or a representative of Declarant designated by Declarant.

Section 7.2 Subordinate Officers. The Board may appoint, and may authorize the President or another officer to appoint, any other officers that the business of the Condominium Association may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in these Bylaws or determined from time to time by the Board.

Section 7.3 Election. The initial officers shall be chosen by a majority vote of the Directors at the first meeting of the Board, and thereafter, officers shall be removed or chosen at any subsequent meeting of the Board by a majority vote of the total number of Directors on the Board.

Section 7.4 Term. All officers shall hold office at the pleasure of the Board.

Section 7.5 Resignation of Officers. Any officer may resign at any time by giving written notice to the Board. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice, and unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Condominium Association under any contract to which the officer is a party.

Section 7.6 President. The President shall be the chief executive officer of the Condominium Association and shall, subject to the control of the Board, have supervision, direction and control of the business and affairs of the Condominium Association. The President shall (i) preside at all meetings of the Members and at all meetings of the Board, (ii) be ex-officio a member of all standing committees, including the Executive Committee, if in existence, (iii) have the general powers and duties of management usually vested in the office of President of a California nonprofit mutual benefit corporation, and (iv) have such powers and duties as may be prescribed by the Board or by these Bylaws.

Section 7.7 Vice President. 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 powers of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him by the Board or by these Bylaws.

Section 7.8 Secretary. The Secretary shall keep, or cause to be kept, a book of minutes at the principal office of the Condominium Association, or such other place as the Board may order, of all meetings of Directors and Members with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof given, the names of those persons present at the Directors' meetings, the number of Members present or represented at Members' meetings and the proceedings thereof.

The Secretary shall give, or cause to be given, notice of all the meetings of the Members and of the Board required by the Bylaws or by law to be given except that notice of the organization meeting may be given by the Declarant. The Secretary shall keep the seal of the Condominium Association in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

The Secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the Board, a record of the Condominium Association Members showing the names of all Members, their addresses and the class of membership held by each.

The Board may delegate the performance of the foregoing duties, subject to supervision by the Treasurer, to a professional manager retained by the Condominium Association.

Section 7.9 Treasurer. The Treasurer shall keep and maintain, or cause to be kept or maintained, adequate and correct accounts of the properties and business transactions of the Condominium Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and surplus. The books of account shall at all times be open to inspection by any Director. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Condominium Association with such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Condominium Association as may be ordered by the Board, shall render to the President and Directors whenever they request it, an account of all of the transactions as Treasurer and of the financial condition of the Condominium Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws. The Board may delegate the performance of the foregoing duties, subject to supervision by the Treasurer, to a professional manager retained by the Condominium Association.

ARTICLE 8.

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

Section 8.1 Definitions. For purposes of this Article 8,

(a) "Agent" means any person who is or was a Director, officer, employee, or other agent of this the Condominium Association, or is or was serving at the request of this the Condominium Association as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise;

(b) "Proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative or investigative; and

(c) "Expenses" includes, without limitation, all attorneys' fees, costs, and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of his position or relationship as agent and all attorneys' fees, costs, and other expenses incurred in establishing a right to indemnification under this Article 8.

Section 8.2 Successful Defense by Agent. To the extent that an agent of this the Condominium Association has been successful on the merits in the defense of any proceeding referred to in this Article 8, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him, then the provisions of Sections 8.3 through 8.5 of this Article shall determine whether the agent is entitled to indemnification.

Section 8.3 Actions Brought by Persons Other than the Condominium Association. Subject to the required findings to be made pursuant to Section 8.5 of these Bylaws, this the Condominium Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, this the Condominium Association, or by an officer or Director on the ground that the defendant Director

was or is engaging in self dealing, by reason of the fact that such person is or was an agent of this the Condominium Association, for all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding.

Section 8.4 Action Brought by or on Behalf of the Condominium Association.

(a) Claims Settled Out of Court. If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this the Condominium Association, with or without approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding.

(b) Claims and Suits Awarded Against Agent. This the Condominium Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of this the Condominium Association by reason of the fact that the person is or was an agent of this the Condominium Association, and for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:

(i) The determination of good faith conduct required by Section 8.5 of these Bylaws must be made in the manner provided for in that section; and

(ii) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent should be entitled to indemnity for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 8.5 Determination of Agent's Good Faith Conduct. The indemnification granted to an agent in Sections 8.3 and 8.4 of these Bylaws is conditioned on the following:

(a) Required Standard of Conduct. The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he believed to be in the best interest of this the Condominium Association, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner which he reasonably believed to be in the best interest of this the Condominium Association or that he had reasonable cause to believe that his conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his conduct was unlawful.

(b) Manner of Determination of Good-Faith Conduct. The determination that the agent did act in a manner complying with Paragraph (a) above shall be made by:

(i) The Board by a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or

(ii) The affirmative vote or written ballot of a majority of the votes of the Members represented and voting at a duly held meeting at which a quorum is present (which affirmative votes also constitute a majority of the required quorum), with the persons to be indemnified not being entitled to vote thereon; or

(iii) The court in which the proceeding is or was pending. Such determination may be made on application brought by this the Condominium Association or the agent or the attorney or other person rendering a defense to the agent, whether or not the application by the agent, attorney or other person is opposed by this the Condominium Association.

Section 8.6 Limitations. No indemnification or advance shall be made under this Article, except as provided in Sections 8.2 or 8.5(b)(iii) of these Bylaws, in any circumstances when it appears:

(a) That the indemnification or advance would be inconsistent with a provision of the Articles, a resolution of the Members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 8.7 Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by this the Condominium Association before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 8.8 Contractual Rights of Non-Directors and Non-officers. Nothing contained in this Article 8 shall affect any right to indemnification to which persons other than Directors and officers of this the Condominium Association, or any subsidiary hereof, may be entitled by contract or otherwise.

Section 8.9 Insurance. The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Condominium Association against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this the Condominium Association would have the power to indemnify the agent against that liability under the provisions of this Section.

ARTICLE 9.

MISCELLANEOUS

Section 9.1 Checks, Drafts and Other Evidence of Indebtedness. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name

of or payable to the Condominium Association, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board.

Section 9.2 Contracts; How Executed. The Board, except as otherwise provided in these Bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name and on behalf of the Condominium Association, and such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Condominium Association by a contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 9.3 Inspection of Bylaws. The Condominium Association shall keep in its principal office the original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Members at all reasonable times during office hours.

Section 9.4 Fiscal Year. The Fiscal Year of the Condominium Association shall be as set forth in the Declaration.

Section 9.5 Maintenance and Inspection of Other Corporate Records. The accounting books, records and minutes of proceedings of the Members and the Board and any committee(s) of the Board shall be kept at such place or places designated by the Board or, in the absence of such designation, at the principal executive office of the Condominium Association. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed or printed form. The minutes and accounting books and records shall be open to inspection on the written demand of any Member at any reasonable time during usual business hours for a purpose reasonably related to the Member's interests as a Member. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts.

The Board shall establish reasonable rules with respect to:

- (a) Notice to be given to the custodian of records by the Member desiring to make the inspection;
- (b) Hours and days of the week when such an inspection may be made; and
- (c) Payment of the cost of reproducing copies of documents requested by a Member.

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

Section 9.6 Annual Report to Members. Nothing in these Bylaws shall be interpreted as prohibiting the Board from issuing annual or other periodic reports to the Members as they consider appropriate. However, the Condominium Association shall provide to the Directors and to the Members the financial reports referred to in the Declaration.

ARTICLE 10.

EVIDENCE OF MEMBERSHIP, SEAL

Section 10.1 Evidence of Membership. The Board shall have the power, but not the obligation, to cause the issuance of evidence of membership in the Condominium Association to the Members in such form as the Board shall determine.

Section 10.2 Seal. The Condominium Association shall have a seal in circular form having within its circumference the name of the Condominium Association, its date of incorporation and such other matters as may be required by the laws of California.

ARTICLE 11.

AMENDMENTS, CONFLICTS

Section 11.1 Amendments. These Bylaws may be amended from time to time by the Consent of a Majority of Members at any duly called, noticed and held regular or special meeting of the Members at which a quorum is present or by written assent of the Members, provided, however, that the percentage of the voting power of the Condominium Association necessary to amend a specific clause or provision of these Bylaws shall not be less than the percentage of affirmative votes prescribed for action to be taken under that clause or provision. Amendments shall be kept by the Secretary with the other records and books of the Condominium Association and shall become effective upon the execution of such written instrument as required by this Section without any further action or requirement.

Section 11.2 Conflicts. In the event of any inconsistency between these Bylaws and the Articles, the Articles shall control, and in the event of any inconsistency between these Bylaws or the Articles and the Declaration, the Declaration shall control.

ARTICLE 12.

DISSOLUTION

Upon the winding up and dissolution of the Condominium Association, after paying or adequately providing for the debts and obligations of the Condominium Association, the remaining assets may be distributed to the Members of the Condominium Association as provided in the Declaration.

CERTIFICATE OF SECRETARY

I the undersigned, do hereby certify:

That I am the duly elected, qualified and acting Secretary of the Mt. Judah Condominium Owners Association, a California non-profit corporation, and that the above and foregoing Bylaws, comprising 22 pages including this page, were adopted as the Bylaws of said corporation by the Board of Directors at a special meeting held on September 11, 2006

IN WITNESS WHEREOF, I have hereunto set my hand this 11 day of September, 2006.

By: Janell Adams

Name: Janell Adams
Title: Secretary