

AMENDED AND RESTATED

BYLAWS OF

OCEANSIDE COMMUNITY ASSOCIATION

1997

DO NOT DESTROY

BYLAWS INDEX
 Oceanside Community Association
 Restated and Amended Bylaws dated April 7, 1997

California
 Corporation
Code Section

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RESTATED AND AMENDED BYLAWS OF THE
OCEANSIDE COMMUNITY ASSOCIATION

ARTICLE I — Name and Purpose.

§1. Restatement. These Restated Bylaws dated April 7, 1997 amend and restate, in their entirety, the Bylaws of Oceanside Community Association dated December 1, 1987.

§2. Name and Purposes. The name of the document shall be “Bylaws of the Oceanside Community Association” and its purposes are to provide for the formation, development, government, and administration of the Oceanside Community Association so that Members may enjoy orderly and pleasant conditions under which to reside.

§3. Definitions. Unless otherwise specified in these Restated Bylaws, the definitions set forth in the Amended, Restated and Superseding Declaration of Covenants, Conditions and Restrictions for Oceana, A planned Development recorded December 15, 2020 as File No. 2020-0803870 of Official Records of the County Recorder of San Diego County, as they may be amended, apply to these Restated Bylaws.

ARTICLE II — Offices. The principal office for the transaction of the business of the Oceanside Community Association, hereinafter called the “Association,” is hereby fixed and located at 550 Vista Bella, Oceanside, California. The Board of Directors, hereinafter called the “Board,” is hereby granted full power and authority to change principal office from one location to another within the geographical limits of the property under the control of the Association, also known as Oceana.

ARTICLE III — Members and Residents.

§1. Membership. Every person acquiring a fee interest in and to a Dwelling Unit in the Project shall be a Member of the Association, but there shall be only one (1) Membership per Dwelling Unit, and no more than (1) vote shall be cast with respect to any Dwelling Unit, regardless of the number of individuals in a given membership entity. Membership shall be appurtenant to and may not be separated from ownership of any Dwelling Unit.

§2. Occupancy Restrictions — Housing for Senior Citizens. It is intended that this Project be operated for occupancy as housing for older persons, and that the housing for persons residing in the Dwelling Units within the Project be restricted to older persons to the fullest extent permitted by federal, state, and local law. Specifically, it is the intention of the Association and its Members to enforce compliance with all applicable federal, state and local laws which affect age restrictions in housing (including, without limitation, the Fair Housing Amendments Act of 1988, 42 U.S.C. Section 3601 et seq. and the California Unruh Civil Rights

Act, California Civil Code Section 51 et seq.), as any such laws may be amended from time to time hereafter.

It is anticipated that there may be subsequent changes in the laws affecting housing for senior citizens. Therefore, in order to avoid further amendments to these Bylaws which may be needed due to subsequent changes in the laws pertaining to age restrictions, the Association's Board of Directors shall be empowered to promulgate rules and regulations to implement and comply with such laws and to amend such rules and regulations from time to time to achieve compliance with any subsequent legislation or court rulings pertaining to age restrictions. The age restriction provisions of this Section shall be deemed to have been amended by any rules and regulations promulgated by the Board under the authority of this amendment, and owners, residents, and prospective purchasers shall be deemed to have constructive notice of any such regulations promulgated by the Board. Occupancy of each Dwelling Unit in this Project shall be restricted to at least one (1) person fifty-five (55) years of age or older, for the purpose of complying with the Fair Housing Amendments Act of 1988.

For the purposes of this Section, the word "law" shall include, without limitation, all statutes, ordinances and other forms of legislative enactments and amendments, administrative regulations, administrative rulings and guidelines, and decisions and interpretations from or arising out of administrative enforcement proceedings and court decisions.

In the event of any inconsistency or conflict between the provisions of this section and any other provision of these Restated Bylaws, the terms of this Section shall control.

§3. Joint Fee Interest. If a membership stands of record in the names of two or more persons, whether fiduciaries, Members of a partnership, joint tenants, tenants in common, husband and wife, as community property, tenants in the entirety, persons entitled to vote under voting agreement or otherwise, or if two or more persons (including proxy holders) have the same fiduciary relationship respecting the same membership, (unless the secretary of the corporation is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating a relationship wherein it is so provided), their acts with respect to voting shall have the following effect: (a) if only one votes, such act binds all; or (b) if more than one vote, the act of the majority voting binds all; (c) if more than one votes, and a majority cannot be established, the vote will not be counted.

§4. Transfer of Membership. Membership in the Association shall be transferable only when fee ownership of the Dwelling Unit pertaining thereto has been validly transferred or conveyed by written instrument or by operation of law. In the event a Dwelling Unit is rented, leased, or subleased, the Owner, or Owners of such Dwelling Unit shall relinquish all Association-controlled rights and privileges except voting rights to said renter, lessee, or sublessee; and said renter, lessee, or sublessee shall occupy said premises in accordance with rules governing the conduct of the Members then in effect.

§5. Voting. In all matters which shall be presented for a vote of the membership, each Member shall be entitled to one (1) vote. No Member, regardless of the number of Dwelling Units owned, shall be entitled to more than one (1) vote except as the holder of proxies from other Members. In any vote to elect or remove Directors of the Association, each

Member shall be entitled to one (1) vote for each Director to be elected or removed. In the case of a vote on other issues, each Member shall have one vote for each issue presented. In the event that voting on an issue is conducted by mail, the written ballot shall conform with the provisions of Section 7513 of the California Corporations Code and Article IV, Section 5 of these Bylaws.

§6. Dues and Assessments. Each Member of the Association shall be liable for the payment of such assessments as may from time to time be fixed and levied by the Board in accordance with Article IX of the CC&Rs.

§7. Enforcement of Lien. If a Notice of Assessment and Claim of Lien is filed against any Member, the Association shall have the right to foreclose the same in accordance with §1366 and §1367 of the Civil Code and Article IX, §13 of the CC&Rs.

§8. Payment of Delinquent Assessments. If the total amount owed as a result of assessment delinquency and foreclosure proceedings is paid on or before the first publication of sale under a power of sale or before entry of judgment in a court foreclosure, a Satisfaction and Release of Lien shall be recorded as provided by §1366 and §1367 of the Civil Code and Article IX, of the CC&Rs.

ARTICLE IV — Meeting of Members.

§1. Place of Meetings. Annual and other meetings of the Members shall be held in the principal office of the Association or at such other place within the corporate boundaries of the City of Oceanside, California, as may be fixed and designated from time to time by the Board.

§2. Annual Meeting. The annual meeting of the Members shall be held on the third Saturday of March of each year at one o'clock p.m. of said day; provided, that should said day fall upon a legal holiday, then such annual meeting of Members shall be held at the same time and place on the next Saturday thereafter which is not a legal holiday. Written notice of each annual meeting shall be given to each Member entitled to vote, either in person or by sending a copy of the notice through the mail or by telegraph, charges prepaid, to the Member's address appearing on the books of the Association or supplied by the Member to the Association for the purpose of notice. If a Member supplies no address, notice shall be deemed to have been given the Member if mailed to the place where the principal office of the Association is situated or published at least once in some newspaper of general circulation in the County of said principal office. All such notices given to each Member entitled thereto shall be given no more than ninety (90) days nor less than ten (10) days prior to the meeting and any notice mailed other than first class, registered or certified mail, shall be so mailed a minimum of twenty (20) days prior to the meeting. The notice shall specify the place, date, and hour of such meeting and the general nature of the business to be transacted.

§3. Special Meeting. Special meetings of Members for any purpose or purposes whatsoever may be called at any time by the Board of Directors, two (2) or more directors, President, or twenty-five percent (25%) or more of the Members. Notice of the special meeting called by Members other than directors shall be given within twenty (20) days of a valid

request for such meeting, and such meeting shall be held between thirty-five (35) and ninety (90) days of the receipt of the notice. Notice of any special meeting shall specify the place, date, and hour of such meeting and the general nature of the business to be transacted.

§4. Adjourned Meeting. Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the Members present or represented at such meeting and entitled to cast a majority of votes represented at such meeting, but in the absence of a quorum no other business may be transacted at any such meeting. When any Members' meeting, either annual or special, is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which such adjournment is taken. The quorum for any adjourned meeting shall be twenty-five percent (25%).

§5. Action Without Meeting (Written Ballot). Under the provisions of California Corporations Code 7513: "(a) any action which may be taken at any regular or special meeting of Members may be taken without a meeting if the Association distributes a written ballot to every Member entitled to vote on the matter... and provides a reasonable time within which to return the ballot... (b) Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action..." When voting by mail, ballots are irrevocable and must be returned sealed in the envelope provided. The sealed Ballot envelope must be returned by U.S. Mail or delivered to the Association offices or other designated location within Oceana. This must be done within the time limit specified in the voting notice to the membership. As the sealed ballot envelopes are received, they shall be held within the confines of the Project in a secure place without opening until expiration of the voting period. At this time, sealed envelopes shall be opened, and ballots tabulated under the supervision of an appointed inspector and two assistants appointed by the Board, following approved procedures for the tallying of votes.

§6. Evidence of Notice. Whenever any Member who is entitled to vote has been absent from any meeting of Members, whether annual or special, the Secretary's affidavit, to be attached to the minutes regarding the giving of notice, shall be prima facie evidence of that notice of such meeting was given to that Member.

§7. Attendance at Meeting. 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. Attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting which are required to be described therein if that objection is expressly made at the meeting.

§8. Quorum. The presence in person or by proxy of Members entitled to cast one-third (1/3) of the votes represented by all Members of the Association shall constitute a quorum for the transaction of business. 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 to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum. The quorum for an adjournment meeting shall be twenty-five percent (25%).

§9. 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 Association; provided that no such proxy shall be valid after the meeting of election for which it was authorized or any adjournment thereof.

ARTICLE V — Directors.

§1. Powers. Subject to limitations of the California Corporations Code and other statutes applicable at the present time or at a future time, the Articles of Incorporation of this Association, these Bylaws, and the Resolutions of the Board adopted pursuant thereto as to the action to be authorized or approved by the Members, and subject to the duties of directors as prescribed herein, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be as controlled by, the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to wit:

a. To select and remove all the other officers, agents, and employees of the Association, prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or these Bylaws, fix their compensation, and require from them such security as may be appropriate for their faithful service.

b. To conduct, manage, and control the affairs and business of the Association and to make such rules and regulations therefor as are not inconsistent with law, the Articles of Incorporation, these Bylaws, or other documents under which the Association is governed.

c. To change the principal office for the transaction of business or the Association from one location to another as provided by Article II hereof; to designate any place within the corporate boundaries of the City of Oceanside, California, for the holding of any Members' meeting or meetings; to adopt, make, and use a corporate seal, and to alter the form of such seal from time to time, as in their judgement they may deem best; provided, that such seal shall at all times comply with the provisions of law.

d. To borrow money and incur indebtedness for the lawful purposes of the Association, and to cause to be executed and delivered therefor, in the name of the Association, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, encumbrances or other evidences of debt and securities therefor; provided, that before incurring any such indebtedness the approval of a majority of the total number of directors shall be required. The total amount of money borrowed by the Board shall never exceed in the aggregate at any time, twenty-five percent (25%) of the monthly income of the Association derived from the regular assessments of Members unless a

greater amount shall have been authorized and approved by a vote of a majority of the Members of the Association.

e. To fix and levy from time to time assessments upon the Members of the Association in an amount which shall not, in the aggregate, exceed that reasonably necessary to maintain and operate the facilities of the Association; including, but without limitation, the purposes set forth in Subsections (f) to (l), inclusive, of this Section.

f. To provide for lease, rental, taxes, and assessments upon the real and personal property owned, controlled, or occupied by the Association, and for labor rendered and materials and supplies used and consumed, or equipment, appliances, power, or other public utilities furnished for the maintenance, improvement, or development of property subject to the management or jurisdiction of the Association.

g. To provide for landscape planning and maintenance service, including trees, plants, and shrubs; no exterior landscaping and/or planting shall be done by a member without prior approval of the Landscape Committee.

h. To purchase insurance and bond premiums which are required by terms of leases between the Association and the Oceanside Land Company or its successor as lessor, and premiums on any other insurance which, in the discretion of the Board, it is desirable to maintain for the protection of the Association.

i. To carry out maintenance and repair responsibilities on the Lots and upon the Dwelling Units as required by Article X, Section 3 of the Declaration.

j. To perform the maintenance and structural repair of any Dwelling Unit or its components and to provide for payment therefor if such maintenance and repair are reasonably necessary, in the discretion of the Board, to protect the property of an adjoining Dwelling Unit with which it has a common wall; or to protect the leasehold area; or to preserve the appearance and value of the subdivided property; provided, the Owner or Owners of said Dwelling Unit have failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity for said maintenance or repair has been personally served on or mailed to said Owner or Owners, postage prepaid, in an addressed sealed envelope, at the address on the Association's Books; and provided further, that the Association shall levy an individual assessment against such Dwelling Unit for the cost of said maintenance and repair.

k. To authorize the Board and its agents and employees a reasonable right of entry into Lots and Dwelling Units for the purposes of inspecting, and performing maintenance and repairs as authorized by subsections (i) and (j) of this Section.

l. To provide for the services of a manager, administrator, or a management company and to exercise a general supervision over the activities of said manager or management company in the performance of any of the legal contractual purposes of the Association for the benefit and advantage of its Members, and to provide for payment for said services.

m. To set aside a reasonable monetary reserve for current maintenance and operation, for contingencies, and for long term major repairs and replacements.

n. To authorize purchases, acquisitions, improvements, or construction for the benefit of Members of the Association, provided that aggregate capital expenditures covering new construction and additions to present facilities in excess of ten percent (10%) of the budgeted gross expenses of the Association for the fiscal year requires approval of a majority of a quorum of membership interests.

o. To determine and fix the due date for the payment of assessments and the date upon which the same shall become delinquent; to suspend, upon such terms and to such extent as the Board shall determine, the membership rights and privileges of any delinquent Member in accordance with Section 7341 of the California Corporations Code. In addition, the Board or its agent is authorized to do all things necessary to perfect and enforce any lien arising from delinquent assessments including the recording of a Notice of Assessment and Claim of Lien.

p. To suspend, by majority vote, the privilege of use of Association-owned or controlled facilities because of any willful and continued violation by a Member, his family, renter, lessee, sublessee, visitor, or guest of any of the rules duly adopted and published for the protection and convenience of the Association and its Members; provided, that any such suspension shall not exceed a period of ninety (90) consecutive days for any one violation; and provide further, that no such suspension shall be imposed except after a hearing has been afforded such violator by the Board.

q. In accordance with Section 7341 of the California Corporations Code, the delinquent or accused Owner shall be given notice of the intention of the Board to meet and consider imposition of the suspension, monetary fine, or both, with respect to any alleged violation, not less than fifteen (15) days prior to the meeting date, to consider the proposed imposition of such suspension or monetary fine. The accused Owner shall be given an opportunity for a hearing before the Board at the Board meeting to consider the imposition of a suspension or monetary penalty.

r. To see that official rules, regulations, statements of policy, guidelines, resolutions, and correspondence are continuously codified, updated, and filed, in order to provide a readily available reference source.

s. To comply with Civil Code 1365. [new code §5300]

t. To perform all other legal acts and duties which, although not mentioned in the foregoing Subsections, are reasonably necessary for the efficient and systematic operation of the Association.

u. To obtain and maintain for the Dwelling Units cable or other similar television services.

v. To provide surveillance or patrol services in the Project, but in no event shall the Association be deemed to guarantee, warranty, or assume responsibility for the safety and security of the Owners, their tenants, family members, invitees, guests, and employees.

§2 Number and Qualification of Directors. The Board shall consist of nine (9) directors, amending the number named in the Articles of Incorporation, until changed by amendment of the Articles; provides, however, the number may be changed at any time by an

amendment to this §2 of Article V of these Bylaws, fixing or changing such number, adopted by the vote or written assent of Members entitled to exercise a majority of the voting power. All directors shall be Members of the Association and shall reside within the boundaries of the Association's area, also known as Oceana, at the time of their election and during their tenure.

§3. Election and Term of Office.¹

a. The directors shall be elected at each annual meeting of Members to serve for a term of three (3) years, but if any such annual meeting is not held or the directors are not elected thereat, the directors may be elected at any special meeting of Members held for that purpose. The year shall extend from the third Saturday of March to the third Saturday of the following March, and each director must continue in office until his successor is elected or appointed and qualified, or vacancies exist and are filled in accordance with §4., below. Directors shall not serve more than one term, but nothing herein contained shall prohibit a former director from becoming a candidate after an interval of one year.

b. In order to provide a transition from the previous term schedule of four (4) and (5) directors being elected in alternate years, the term schedule is as follows:

(1). At the annual meeting in March of 1998, three (3) directors shall be nominated and elected for a term of three (3) years and two (2) directors shall be nominated and elected for a term of two (2) years.

(2). At the annual meeting in March of 1999, three (3) directors shall be nominated and elected for a term of three (3) years and one (1) director shall be nominated and elected for a term of one (1) year.

(3). At the annual meeting in March of 2000 and in each subsequent year, three (3) directors shall be nominated and elected for a term of three (3) years.

(4). In order to complete the transition, two (2) and one (1) year term directors in Subsections (2) and (3) above shall not be prevented from becoming candidates for the three (3) year terms immediately following their "short" tenure.

On April 1, 2000, Article V. 3.b., herein contained, having served its purpose, this Subsection, b., shall be declared null and void. Subsections c., d., and e., below, shall be renumbered b., c., and d., respectively.

c. In November of each year, the President of the Association shall announce the names of five (5) Members of a Nominating Committee selected by the Board from those names recommended to them by chairpersons of various committees and activities. The Nominating Committee shall select its own Chairperson. In addition thereto, the Nominating Committee shall submit a brief résumé of the qualifications and background of each nominee by twenty-five (25) days prior to the annual meeting or by forty (40) days prior to special meetings where directors are to be elected.

¹ The election section in the old is invalid and has already been replaced by the new election rules set by state law (Davis & Stirling) and adapted by the Board in December 2019.

d. The President must instruct the Nominating Committee to name people of ability, experience, availability, and character for nomination to the Board of Directors.

e. The Chairperson of the Nominating Committee shall nominate the Committee's slate when called upon to do so by the President at the annual meeting. Upon completion of this duty, the Nominating Committee is automatically dissolved, but the President shall then make a call for nominations from the floor before declaring the nominations to be closed.

§4. Vacancies.

a. A vacancy or vacancies in the Board shall be deemed to exist in the case of death, resignation, removal, action under Section 7221 of the California Corporations Code; or ceasing to qualify under Article V, Section 2 of these Bylaws; or if its Members shall increase the authorized number of directors but shall fail at the meeting at which such increase has been authorized or at an adjournment thereof to elect any additional directors so provided for; or if the Members fail at any time to elect the full number of authorized directors.

b. The remaining directors shall fill any vacancy on the Board caused by the death, removal or resignation of a director unless the vacancy is created by the removal of a director by the Members. The Members shall vote to fill any vacancy on the Board created by removal of a director by the Members. A successor director shall serve for the unexpired term of the director being replaced.

c. If any director tenders his resignation to the Board, the Board shall have the power to appoint a successor to take office at such time as the resignation is to become effective subject, however, to the provisions of Subsection b. of this Section. No reduction in the number of directors shall, however, have the effect of removing any director prior to the expiration of his term of office.

d. Should any elected or appointed Member of the Board of Directors be absent from three consecutive regular scheduled Board meetings, in the interest of full Association representation, a majority of the Board of Directors may remove that member from the Board, with the vacancy to be filled in accordance with Subsection b. of this Section. [California Corporations Code §7221]

e. Any new directors elected or appointed to fill vacancies, as outlined in Subsections a., b., c., or d., above, shall serve only for the unexpired term of the previous incumbent, or in the case of an increase in the number of directors, the term shall be as specified in the authorizing change or as determined by the Board in the absence of such specifications.

ARTICLE VI — Meeting of Directors.

§1. Place of Meetings. All meetings of the Bard shall be held at the principal site of the Association unless, by consent of the majority of all directors, a different place or places within the corporate boundaries of the City of Oceanside shall be designated.

§2. Kinds of Meetings. There shall be the following kinds of meetings of the Board, to wit: Organizational meeting, regular meeting, special meeting, committee meeting, and executive meeting or executive session.

a. Organizational meeting. Immediately following each annual meeting of the Members, the new Board shall hold a meeting for the purpose of organizing, selecting officers, and transacting other appropriate business. Notice of such meetings is hereby dispensed with.

b. Regular Meeting. There shall be at least one regular meeting of the Board each calendar month. Regular meetings shall be held without call at such place and upon such day and hour as may be fixed from time to time by resolution of the Board. Should such day fall upon a legal holiday, then the meeting which otherwise would be held on said day shall be held at the same place and time on the next day of the week following which is not a legal holiday. Notice of such regular meetings of the Board is hereby dispensed with.

c. Special Meeting.

(1). Notice of any special meeting shall be noted in the manner provided for notice of regular meetings and shall be sent to all directors not less than four (4) days prior to the meeting; provided, however, that notice need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting.

(2). So much of the preceding subsection as requires prior notice may be waived if the President determines that an emergency exists and a meeting is required as soon as possible.

d. Committee Meeting. Nothing herein contained shall be construed so as to prevent the Board, or a committee thereof, from convening such committee meetings at such time and places as they may deem necessary; provided, that reasonable notice of such meeting shall be given to all committee members. In no case shall official action be taken at any committee meeting other than to authorize reports and recommendations, which reports and recommendations shall be made part of the agenda at a regular or special director's meeting and shall be included in the minutes thereof.

e. Executive Meeting. In accordance with Section 1363.05 of the California Civil Code, the Board may, with the approval of the majority of a quorum of the Board, adjourn a meeting and reconvene in executive session to meet with its legal counsel, or discuss and vote upon (a) litigation in which the Association is or may become involved, (b) matters that relate to the formation of contracts with third parties, (c) personnel matters, and (d) orders of business of a similar nature. In any matter relating to the disciplining of a Member, the Board shall meet in executive session if requested by that Member, and the Member shall be entitled to attend that portion of the executive session in which the Board discusses the discipline of that Member. The nature of any and all business to be considered in executive session shall first be announced in open session. In the event the executive session does not follow an open session, the Board

may conduct an executive session if the nature of any and all business considered in such executive session is announced at the next regularly scheduled Board meeting. Nothing herein contained shall be construed to obligate the Board to first call an open meeting before meeting in executive session. An executive session which does not follow an open meeting may be called and noticed in the same manner as a special meeting. Any matter discussed in executive session shall be generally noted in the Association minutes.

§3. Notice to Members. It is hereby declared to be the intent of these Bylaws that the Association Members be afforded the opportunity to witness and familiarize themselves with all the business and transactions of the Board except as provided by subsections d. and e. of Section 2 of the Article. Pursuant to this purpose, the Board shall ensure that, for all regular and special meetings except executive sessions and for all regular meetings which are to be held at a new or irregular place or time, notice of said meetings shall be provided to Members. Said notice shall be deemed to be complied with if it is posted at two (2) or more places frequented by Members, one of which shall be at the principal offices of the Association, and said notices shall be posted at least four (4) days immediately preceding the convening of such meeting. In the event a special meeting arising from and emergency declared by the President does not permit notices to be posted as prescribed above, the Secretary shall, following such meeting, post a summary of said meeting and actions taken thereat, in the same manner as provided for notifications of special meetings.

Members have a right to address the Board in writing at any time on any subject. If the request is made in writing prior to the convening of a Board meeting, Members at a time and under conditions designated by the Board, have a right to address the Board to supplement Committee reports and comments on published Board Meeting Agenda Items, prior to Board action.

§4. Adjourned Meetings. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of the adjournment shall be given, prior to the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

§5 Entry of Notice. Whenever any director has been absent from any special meeting of the Board, an entry in the minutes to the effect that notice has been duly given shall be conclusive evidence that due notice of the special meeting was given to such director as required by law and these Bylaws.

§6. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed, or whenever held, shall be valid as though decided at a meeting duly held after regular call and notice; provided a quorum be present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice or a consent to holding such meeting, or approves the minutes thereof. All such waivers, consents, or approvals shall be filed with the records of the Association or be made part of the minutes of the meeting.

§7. Quorum. A majority of the directors as fixed by the Articles or the Bylaws shall

be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board.

§8 Conduct of the Meetings.

a. Agenda and procedures for conducting meetings of the Board shall be determined by resolution of the Board, and they shall be in accordance with generally accepted principles of procedures. In all cases for which the Board makes no provision the governing authority shall be Robert's Rules of Order; latest edition.

b. Except in case of a unanimous vote, the ayes and nays of any vote shall be recorded in the minutes.

§9. Fees and Compensation. No director or officer shall receive any salary for the member's services as such officer or director, nor shall Member or Members of the Association be permitted to act as supervisor or administrator of the Association whether with or without compensation.

ARTICLE VII — Officers.

§1. Officers of the Association. The officers of the Association shall be: President, Vice-President, Secretary and Treasurer.

a. President. Subject to the control of the Board, the President shall have general supervision, direction and control of the business and officers of the Association; shall preside at meetings of the Board and meetings of Members; shall be, ex-officio, a member of all standing committees, but excluding the Nominating Committee; shall have the general powers and duties of management usually vested in the office of president of an Association; and shall have such other powers and duties as may be prescribed by the Board or by these Bylaws, including the privilege to discuss and vote on all matters.

b. 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 the 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 by the Board or these Bylaws.

c. Secretary. The Secretary shall keep, or cause to be kept, a book of minutes at the principal office of the Association or such other place as the Board may order. Said book of minutes shall contain a record of all meeting of directors and of Members with the place and time of holding; whether regular or special, and if special, how authorized; the notice given; the names of those present at directors' meetings; the number of memberships present or represented at Members' meetings; and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office or at the office of the Association's transfer agent, a membership register or a duplicate membership register, showing the names of the Members and their addresses, the property to which each member relates, the number of memberships

held by each and the number of votes represented by each membership. The Secretary shall give, or cause to be given, notice to all meetings of the Members and of the Board which are required by law or by these Bylaws to be given; shall keep the seal of the Association in safe custody; and shall have such other powers and perform such other duties as may be prescribed by the Board or by these Bylaws.

d. Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association. 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 Association with such depositories as may be ordered by the Board; shall render to the President and directors, whenever they request it, an account of all transactions as Treasurer and of the financial condition of the Association; and shall have such other powers and perform such other duties as may be prescribed by the Board or by these Bylaws.

§2. Election. The officers of the Association, except such officers as may be appointed in accordance with the provisions of §3 or §5 of this Article, shall be chosen annually by the Board; and each shall hold office until resignation or removal or shall otherwise have been disqualified to serve, or until a successor shall have been selected and qualified.

§3. Subordinate Officers and Committees.

a. The Board may appoint, in accordance with Section 7212 of the Corporation Code, such other officers and committees as the business of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided for by these Bylaws or as the Board may from time to time determine.

b. Except as provided in §3a directly above, and other than the Vice-President serving as Chairperson of the Coordinating Committee, no Board member shall serve as a committee member, but shall act in a liaison capacity only.

§4. Removal and Resignation.

a. Any officer may be removed by a majority of the directors at that time in office, at any regular or special meeting of the Board; or, in the case of an officer chosen by the Board, by any officer upon whom such power of removal may have been conferred by the Board.

b. Any officer may resign at any time by giving written notice to the Board. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

§5. Vacancies. A vacancy in an office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed by these Bylaws for regular appointments to such office.

§6. Fidelity Coverage. The Association shall purchase and maintain fidelity coverage for any person or entity handling funds of the Association, whether or not such persons or

entities are compensated for their services. If an agent handles Association funds, such agent shall be covered by the Association's coverage, unless such agent provides similar coverage. The Association's coverage may be in the form of a separate bond, a separate policy (e.g. crime policy), or may be added by endorsement to the general policies carried by the Association. This coverage may be in an amount that is at least equal to the estimated maximum of funds, including reserve funds, in the custody of the Association or its managing agent at any given time during the term of each bond or policy. However, in no event may the aggregate amount of these bonds or policies be less than a sum equal to three (3) months' aggregate assessments on all Dwelling Units plus reserve funds. The bonds or policies must contain a provision that they may not be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association.

ARTICLE VIII — Operations.

§1. Record Date and Closing Membership Register. The Board may fix a time in the future, not exceeding fifteen (15) days preceding the date of any meeting of Members, as a record date for the determination of the Members entitled to notice of and to vote at any such meeting, and in such case only Members of record on the date so fixed shall be entitled to notice of and to vote at such meeting. The Board may close the books of the Association against transfers of memberships during the whole, or any part, of such period.

§2. Corporate Records. The Board shall maintain accurate and up-to-date records of all its business and transactions which shall, either as originals or as certified copies, include, but not be limited to; the Articles of Incorporation, Declaration of Covenants, Conditions and Restrictions, Bylaws, membership register, books of account, property inventories, contracts, statements of policy, standing Rules and Regulations, minutes of all meetings required to be kept on file, official correspondence, and other documents required by law or used in connection with the business of the Association. Said records shall be carefully safeguarded and filed in such manner that they may be made readily available.

§3. Member Inspection of Accounting Records and Minutes. In accordance with Corporations Code Section 8333, the accounting books and records and minutes of proceedings of the Members, the Board and its committees, with the exception of minutes of executive meetings, shall be open to inspection upon the written demand on the Association by any Member at any reasonable time, for a purpose reasonably related to such person's interests as a Member. Members may not inspect the minutes of executive meetings.

§4. Member Inspection of Membership Register. Subject to §5 below, and applicable law, Members may inspect the membership register as follows:

- a. Members may inspect and copy the membership register at reasonable times, upon not less than five (5) business days' prior written demand upon the Association. The written demand must state the purpose for which the inspection rights are requested.
- b. Members may obtain copies of the membership register upon a written demand and payment of a reasonable charge. The demand shall state the purpose for

which the list is requested.

§5. Denial of Inspection Request. In accordance with Section 8338 of the Corporations Code, the membership register is a corporate asset. The Association may deny a Member access to the membership register, including copies thereof, where the Association reasonably believes that the information will be used for a purpose not reasonably related to the Members' interest as a Member, or where the Association provides a reasonable alternative method of achieving the purpose identified in the written demand from the Member in accordance with Section 8330(c) of the Corporations Code.

§6. Director Inspection of All Association Records. Subject to any limitations imposed by law, every director shall have the right to inspect all Association records and the physical properties owned or controlled by the Association at any reasonable time as provided by Section 8334 of the Corporations Code. Notwithstanding the above, the Board may limit access to employee medical records to certain designated agents of the Association.

§7. Removal of Records. Notwithstanding the above-mentioned rights, no Member or director or other person may remove such records or documents from the Association office or its designated depository.

§8. Checks and Drafts. 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 Association shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board.

§9. Annual Reports. The Association shall prepare and distribute to all Members annual committee reports, and such other reports as required by law to be distributed to the membership, within one hundred twenty (120) days after the close of each fiscal year.

§10. Execution of Contracts. Except as may otherwise be provide by law or by these Bylaws, a majority of the Board may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name and on the behalf of the 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 the power or authority to bind the Association by any contract or engagement or pledge its credit or render it liable for any purpose or to any amount.

§11. Alternative Dispute Resolution- (ADR). California Civil Code Section 1354 requires the use of procedures such as arbitration or mediation before resorting to litigation to resolve certain conflicts arising between parties of common interest developments such as Oceana i.e., any owner(s), the Association, or both. Failure by any Member of the Association to comply with the prefiling requirements of Section 1354 of the Civil Code may result in the loss of rights to sue the Association regarding enforcement of the governing documents. A copy of Code Section 1354 shall be sent to each Member annually, and its text is available for review in the Association office.

ARTICLE -IX - Amendments.

§1. These Bylaws may be amended by the vote or written consent of fifty-one percent (51%) of the voting power of the Association. Notwithstanding the foregoing, the percent of a quorum or of the voting power of the Association necessary to amend a specific clause or provision in these Bylaws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause or provision.

Anything herein stated to the contrary notwithstanding, no amendment described in Article XII, Section 2 of the Declaration ("material amendment") may be made to these Bylaws without the prior written consent of sixty-seven percent (67%) of the voting power of the Association and the approval of Eligible Lenders who represent at least fifty-one percent (51%) of the votes of the Units which are subject to mortgages held by such Eligible Lenders.

An addition or amendment to this document shall not be considered material if it is for the purpose of correcting technical errors, or for clarification only.

An Eligible Lender who received a written request to consent to additions or amendments requiring consent under this provision who does not deliver or post to the requesting part a negative response within (30) days after such receipt shall be deemed to have consented to such request, provided that notice was delivered by certified or registered mail, with a "return receipt" requested to the address provided by such Eligible Lender. No Lender may charge a fee in connection with reviewing a request for a response. Any response from a Lender which only requests a fee for review shall not be deemed a "negative response" for the purposes of determining Lender consent within the meaning of this Section.