

RESTATED BYLAWS OF VILLAGE PARK COMMUNITY ASSOCIATION

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RESTATED BYLAWS OF VILLAGE PARK COMMUNITY ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the corporation is VILLAGE PARK COMMUNITY ASSOCIATION, hereinafter referred to as the “Association~~”.~~” The Association is a California nonprofit mutual benefit corporation (Corporations Code §§7110–8910) and an association as defined by Civil Code §4080.

The principal office of the corporation shall be located in the County of Orange, State of California, but meetings of ~~members~~Members and directors may be held at such places within the State of California, County of Orange, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. ~~“Declarant”~~“Capital Improvement” shall mean a previously non-existent improvement to be maintained and ~~refer to THE IRVINE COMPANY, its successors~~replaced by the Association, and ~~assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for~~shall not include the purposesubstitution or modernization of an existing feature with similar functionality. ~~development.~~

Section 2. “Declaration” shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the office of the County Recorder, County of Orange, State of California, and any amendments thereto.

Section 3. “Good Standing” is a term used to identify those Members who constitute part of the voting power of the Association and are therefore eligible to vote in the election of directors or with respect to any matter or action that requires the consent or approval of the Members. To be in Good Standing, a Member must not be subject to any suspension of voting privileges as a result of any disciplinary process conducted in accordance with the due process and disciplinary hearing procedures of Civil Code Section 5855. ~~Good Standing shall also be a prerequisite for being a candidate for election to the Board of Directors and for continued service on the Board once elected to office.~~

Section 4. “Governing Documents” shall mean and refer to the Declaration of Covenants, Conditions and Restrictions, the Articles of Incorporation, these Bylaws and any duly adopted rules of the Association.

Section 5. “Property” shall mean and refer to certain real property described as Tract No. 6520, 6521, 6522, 6523, 6524, 6591, and 6592, as per Maps recorded in Miscellaneous Maps in the

Office of the County Recorder of Orange County, California, as well as any such additions that may be brought within the jurisdiction of the Association in the future.

Section 6. All other terms shall be as defined in the Declaration.

ARTICLE III

MEMBERSHIP

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Lot ~~or a lessee with an option to purchase any Lot~~ which is subject by covenants of record to assessment by the Association, ~~including contract sellers,~~ shall be a ~~member~~Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership.

Section 2. Term of Membership. On the sale, conveyance, or other transfer of an owner's interest in a Lot, the owner's membership interest appurtenant to the Lot shall automatically transfer to the Lot's new owner(s).

Section 3. Multiple Owners of a Single Lot. Ownership of a Lot shall give rise to a single membership in the Association and each membership held by an owner shall entitle the Member to one vote on matters requiring the consent or approval of the Members. Accordingly, if more than one person owns a Lot, all of the co-owners shall be deemed to be one Member for voting purposes, although all such owners shall have equal rights as Members to use and enjoy the Common Areas. Any one of the multiple owners shall be entitled to vote the membership, unless the secretary of the Association is notified in writing of the owner designated by his or her co-owners as having the sole right to vote the membership on their behalf. If such notification does not occur and more than one of the multiple owners of a Lot attempts to vote the membership appurtenant to that Lot, the inspector(s) of elections shall be empowered to disqualify the vote of that membership.

Section 4. Ownership of Multiple Lots. If a person owns more than one Lot, that owner shall have one membership and voting rights with respect to each Lot owned.

Section 5. Furnishing Evidence of Membership. A person shall not be entitled to exercise the rights of a Member until such person has advised the secretary of the Association in writing that he or she is qualified to be a Member and, if requested by the secretary, has provided the secretary with evidence of such qualification in the form of a duly recorded deed to the Lot that gave rise to the membership.

ARTICLE IV

PROPERTY RIGHTS, RIGHTS OF ENJOYMENT

~~Each resident member in Good Standing~~

Section 1. Use and Enjoyment of Common Areas by Members and Family. Each resident shall be entitled to the use and enjoyment of the Common Area and facilities as provided in the Declaration unless such right has been suspended subsequent to a noticed disciplinary hearing.

Section 2. Tenants and Lessees.- Any memberMember may delegate his or her rights of enjoyment of the Common Area and facilities to the memberMember of his or her family, his or tenants or contract purchasers, who reside on the property. Such memberMember shall notify the Secretary in writing of the name of any such delegatee. The rights and privileges of such delegatee are subject to suspensions to the same extent as those of the memberMember. Such assignment shall only be effective as long as said tenant is residing in said Lot. Unless the owner-lessor is contemporaneously residing on another Lot within the Property, during the term of any lease or rental of a Lot, any owner not residing within the Property shall not be entitled to use the Common Areas, including the recreational facilities the Property. However the owner-lessor shall have the right to access his or her Lot to the extent reasonably necessary to perform the usual responsibilities of a landlord or to ensure or gain compliance by the tenant with the requirements of the Governing Documents.

Section 3. Association Rules and Regulations. The right of any person to use and enjoy the Common Areas shall at all times be subject to the rules, limitations, and restrictions set forth in the Governing Documents. The Board shall have the right to impose monetary penalties or to temporarily suspend the use and enjoyment of any recreational Common Areas for the failure to comply with any other rule or regulation imposed on such Member or his or her tenants or guests under the Governing Documents as further described in Article VIII, Section 1(j) herein.

ARTICLE V

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of seven (7) directors, who shall be Members of the Association in Good Standing, provided that only one Member per Lot shall be eligible to serve on the Board of Directors at any one time. To be qualified for nomination, a candidate must meet the following qualifications:

- a) The Association Secretary must certify that the candidate is current in the payment of all duly levied assessments. Remaining current in the payment of all assessment obligations shall also be a continuing qualification for a sitting director's continued service on the Board This qualification is subject to the exceptions set forth in Civil Code section 5105(d).
- b) A candidate may not be a nominee if the person (if elected) would be serving on the Board at the same time as another person who holds a joint ownership interest in the same Lot, if the proposed candidate and the other co-owner of the Lot is either properly nominated for the current election or an incumbent director. For purposes of this ground for disqualification, "joint ownership" includes any tenancy in common, community property ownership, trust, or other entity ownership in which the potential candidates (and a sitting

director) both have an equity interest or any other marital or civil relationship interest that is recognized by California law.

Section 2. Election~~Term~~. At each annual meeting, the ~~members~~Members shall elect directors for a term of two years to succeed those directors whose terms have expired.

Section 3. Removal.

- a) Removal by Membership Vote. Any director may be removed from the Board, with or without cause, by a vote of the ~~members~~Members pursuant to Corporations Code Section 7222.
- b) Removal by Board Vote.
 - i. The Board, by the affirmative vote of not less than ~~five (5)~~a majority of the disinterested directors at a meeting who meet all of the required qualifications to be a director, may remove any director who fails or ceases to meet any of the qualifications for election to the Board which existed at the time the director was elected.
 - ii. The Board, by an affirmative vote of not less than five (5) directors at a meeting who meet all of the required qualifications to be a director, may remove any director for violation of the Association's duly adopted Code of Conduct, after affording the director notice and an opportunity for a hearing in accordance with the due process and disciplinary hearing procedures of Civil Code Section 5855.
 - iii. The Board, by the affirmative vote of a majority of the directors present at a meeting provided a quorum is established, may remove any director who fails to attend three (3) consecutive regularly scheduled meetings of the Board or fails to attend more than six (6) regular meetings of the Board within any twelve (12) month period. Attendance at a meeting shall be defined as being physically present for at least fifty percent (50%) of a regular, open meeting. In exercising its discretion to remove a director for his or her failure to attend duly noticed meetings, the Board may consider in mitigation medical hardship, business travel, financial hardships, or other factors, being mindful, however, of the benefits that accrue to the Members, as a whole, from the active and regular participation of the full Board of Directors.
 - iv. The Board, by the affirmative vote of a majority of the directors present at a meeting provided a quorum is established, may remove any director who has been declared of unsound mind by final order of court, or has been convicted of a felony.
- c) Removal by Court Order. The superior court may, pursuant to Corporations Code Section 7223, remove a director in case of fraudulent or dishonest acts or gross abuse of authority or discretion.

Section 4. Resignation of Directors. Any director may resign, which resignation shall be effective on giving written notice to the Board of Directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a Director is stated (in the resignation

document) to be effective at a future time, the Board of Directors may appoint a successor to take office when the resignation becomes effective.

Section 5. Vacancies. In the event of death, resignation or removal of a director by the Board, his or her successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his or her predecessor. In the event of removal of a director by the membership, his or her successor shall be selected by the membership and shall serve for the unexpired term of his predecessor.

Section 46. Compensation. No director shall receive compensation for any service he or she may render to the Association. However, any director may be reimbursed for ~~this~~ actual expenses incurred in the performance of his or her duties.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly, at such place and hour as may be fixed from time to time by resolution of the Board. ~~Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.~~

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President or Vice President of the Association, or by any two directors.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meetings at which a quorum is present shall be regarded as the act of the Board.

Section 4. Notice of Board Meetings – Notice ~~To~~eto Directors.

- a) Minimum Time Requirements for Giving Notice to Directors. ~~In the case of any special meeting of the Board, and if the Board has not fixed the time and location for regular meetings and provided each director with the schedule for regular meetings, notice~~Notice shall be communicated to each Board member not less than 4 days before the date of the meeting, provided, however, that if the meeting qualifies as an emergency meeting (as defined in Section 5 (c)) or is a special meeting that can be called in executive session (see Section 6(e)), the time for providing notice is 48 hours before the meeting, unless notice is given by first-class mail, in which case the 4-day notice requirement remains in effect. Notice of a meeting of the Board need not be given to any director who has signed a waiver of notice or a written consent to the conduct of the meeting or an approval of the minutes of the meeting (whether before or after the meeting) or who attends the meeting without protesting, before or at the commencement of the meeting, the lack of notice to that director.
- b) ManageManner of Giving Notice to Directors. Each director shall be entitled to receive notice of meetings by any one of the following means: first-class mail; personal delivery;

telephone, including a voice messaging system or other system or technology designed to record and communicate messages; facsimile; electronic mail; or other electronic means (as long as the director has provided his or her consent to the receipt of notices by electronic transmission).

- c) Notice Contents. The notice of any meeting of the Board shall state the time, place, ~~purpose,~~ and agenda of the meeting.
- d) Requirements for Conducting Board Meetings by Conference Telephone or Other Electronic Means. A regular or special meeting of the Board may be held by conference telephone, electronic video screen communications, or other communications equipment so long as the requirements of this subparagraph are satisfied. Participation in a meeting through the use of conference telephone under this Section constitutes presence in person at the meeting as long as all directors, Members, and other permitted meeting participants (if any) participating in the meeting are able to hear one another. Participation in a meeting through the use of electronic video screen communication or other communications equipment (other than a conference telephone) constitutes presence in person at the meeting as long as each director participating in the meeting can communicate with all of the other directors concurrently and each director is given the means of participating in all matters coming before the board. In accordance with Civil Code §4090(b), a telephone conference meeting of the Board shall be conducted in a manner that protects the rights of Members to attend the meeting (or the portion of a telephone conference meeting that is open to attendance by the Members); that meeting or portion of the meeting shall be audible to the Members in at least one physical location that is specified in the notice of the teleconference Board meeting, and at least one director or a person designated by the Board shall be present at that location.

Section 5. Members' Right to Receive Notice of Board Meetings

- a) Requirement for Delivery of Notice Generally. All Members of the Association shall be given notice of the time and place of all Board meetings (as defined in Section 6(a)), except for "emergency meetings" (as defined in subparagraph (c)), at least 4 days before the date of the meeting. Unless an executive session meeting of the Board is called as an "emergency meeting," Members are entitled to receive notice of executive session meetings at least 2 days before the meeting.
- b) Content of Notices to Members and Method of Delivery. Notices of Board meetings shall include the agenda for the meeting and shall be given by general delivery as defined in Civil Code §4045. Notice may also be given by mail or delivery of the notice to each Lot or by newsletter or similar means of communication or by electronic means if the recipient Member has consented to receiving such electronic notice.
- c) Definition of Emergency Meeting. For purposes of the Member notification requirements set forth in subparagraph (a) above, an "emergency meeting" of the Board means a meeting called by the president or by any two members of the Board under circumstances that could

not have been reasonably foreseen, that require immediate attention and possible action by the Board, and that of necessity make it impracticable to provide prior notice to the Members as required by the Open Meeting Act. Notice of emergency meetings must still be provided to each director (unless the director waives notice, in accordance with Section 4(a)).

Section 6. Attendance by Members; Common Interest Development Open Meeting Act Provisions. The following provisions reflect the Common Interest Development Open Meeting Act (Open Meeting Act) (Civil Code §§4900-4955):

- a) Meetings Generally Open to Members; Definition of What Constitutes a Meeting. With the exception of executive sessions of the board (see subparagraph (e)), any Member of the Association may attend meetings of the Board of Directors. For purposes of the Open Meeting Act, the term “meeting” includes (i) any congregation of a majority of the members of the Board at the same time and place to hear, discuss, or deliberate on any item of business that is within the authority of the Board, except those matters that may be discussed in executive session; and (ii) a teleconference in which a majority of the members of the Board, in different locations, are connected by electronic means, whether audio or video or both. The Board may not take action on any item of business outside of a meeting, as so defined, and using a series of electronic transmissions (including e-mails) to conduct a meeting is not permitted except as a means of conducting and emergency meeting as defined in Section 5(c).

A Member of the Association shall be entitled to attend a teleconference meeting of the board that is conducted in accordance with Section 4(d), or the portion of a teleconference meeting that is open to attendance by the Members, and that meeting or portion of the meeting shall be audible to the Members in a location specified in the notice of the meeting.

The phrase “item of business,” as used in the Open Meeting Act and this Section, means any action within the authority of the Board, except those actions that the Board has validly delegated to any other person or persons, managing agent, officer of the association, or committee of the Board compromising less than a majority of the directors.

- b) Right of Members to Speak at Meetings, The Board of Directors shall permit Members to speak at any meeting of the Members or of the Board of Directors, except for Board meetings held in executive session under subparagraph (e). the board or the chairperson of the meeting may impose reasonable time limitations on presentations or statements by Members. In the case of Board meetings, the agenda for the meeting may designate a specific time for Member statements and comments.
- c) Meeting Agendas; General Restriction of Action to Items on the Agenda. As required by Civil Code §4920(d), an notice of a board meeting that is required by law to be distributed or made available to the Members must include an agenda for the meeting. Except as

provided in subparagraphs (i) through (v) of this subparagraph or subparagraph (d), the Board of Directors may not discuss or take action on any item at a non-emergency meeting of the Board unless the item was placed on the agenda that was included in the notice given to the Members, Members who are not on the board may, however, speak on issues that are not on the agenda. Notwithstanding the general rule that Board actions must be restricted to items shown on the meeting agenda, a member of the Board of Directors, a managing agent or other agent of the Board, or a member of the staff of the Board of Directors may do any of the following-:

- i. Briefly respond to statements made or questions posed by a person speaking at an open Board meeting;
- ii. Ask a question for clarification, make a brief announcement, or make a brief report on the director's own activities;
- iii. Provide reference or other resources for factual information to the Board's managing agent or other agents or staff;
- iv. Request the managing agent of the Association or other agents or staff to report back to the Board at a subsequent meeting concerning any matter, or take action to direct the managing agent, other agents, or staff to place a matter of business on a future agenda; and
- v. Direct the Association's managing agent or other agents or staff to perform administrative tasks necessary to carry out the requirements of Civil Code §4930.

d) Authority to Take Action on Certain Items not Appearing on the Published Agenda. Notwithstanding the general rule that Board actions must be restricted to items shown on the Board meeting agenda, the Board of Directors may take action on any item of business appearing on the posted meeting agenda under any of the following conditions, but before discussing any item, the Board of Directors shall openly identify the item to the Members in attendance at the meeting:

- i. On a determination made by a majority of the board of Directors present at the meeting that an emergency situation exists. An emergency situation exists if there are circumstances that could not have been reasonably foreseen by the Board, that require immediate attention and possible action by the Board, and that, of necessity, make it impracticable to provide notice.
- ii. On a determination made by a vote of two-thirds of the members of the Board who are present at the meeting (or if less than two-thirds of total membership of the Board is present at the meeting, by unanimous vote of the Board Members present) that there is a need to take immediate action and that the need for action came to the attention of the Board after the agenda for the meeting was posted and distributed to the Members.
- iii. An item was added to an agenda posted and distributed to the Members for a prior meeting of the Board of Directors, which occurred not more than 30 calendar days before the date that action is being taken on the item, and at that prior meeting

action on the item was continued to the meeting at which the action is being taken.

e) Executive Sessions.

- i. Definition of What Constitutes an Executive Session. An executive session is a meeting that is conducted by the Board of Directors that is not open to attendance by all Members and that is convened only to consider and potentially to act on one or more of the following matters: (A) litigation in which the Association is or may become a party; (B) matters relating to the formation of contracts with third parties; (C) Member discipline; (D) personnel matters; or (E) on a Member's request, a meeting with that Member regarding the Member's payment of Assessments as specified in Civil Code §~~5665~~4935.
- ii. Manner in Which Executive Sessions May Be Called. The Board can adjourn for purposes of a meeting in an executive session on the affirmative vote of a majority of the directors present at a meeting that is open to attendance by the Members at which a quorum has been established, or an executive session can be called independently of any open meeting of the Board (Civil Code §4935).
- iii. Executive Sessions to Address Member Disciplinary Matters. The Board must meet in executive session if requested by a Member who may be subject to a fine, penalty, or other form of discipline, and the Member who is the subject of the disciplinary proceeding shall be entitled to attend the executive session.
- iv. Executive Sessions Called to Meet With a Delinquent Member. If a Member who has received a Notice of Delinquent Assessment from the Association under Civil Code §5660 requests a meeting before the Board in executive session to discuss a payment plan, the Board shall meet with the Member ~~within 45 days after receipt of the Member's request.~~
- v. Reporting of Executive Session Meetings in the Minutes. Any matter discussed in executive session shall be generally noted in the minutes of the immediately following Board meeting that is open to the entire membership.

- f) Board Meeting minutes; Right of Members of Obtain Minutes. The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes of any meeting of the Board of Directors, other than minutes of an executive session, shall be available to the Members within 30 days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any Member on request and on reimbursement of the Association's costs in making that distribution. Members of the Association shall be notified in writing at the time that the annual budget (required under Civil Code §5300) is distributed or at the time of any general mailing to the entire membership of the Association of their right to have copies of the minutes of meetings of the Board of Directors and how and where those minutes may be obtained.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. ~~Nomination~~The Association shall provide general notice of the procedures and the deadline for submitting a nomination for election to the Board of Directors ~~shall be made by Nomination Committee.~~at least 30 days before any deadline for submitting a nomination. Self-nominations are permitted. Nominations may also be made from the floor at the annual meeting. ~~The Nomination Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by~~ if after the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next meeting and such appointment shall be announced at each annual meeting. ~~The nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not~~deadline for submission of nominations there are less qualified candidates than the number of ~~vacaneies~~positions to be filled. ~~Such nominations may be made from members who are in Good Standing.~~

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. ~~At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration.~~ Every ~~Member~~member entitled to vote at any election for directors shall have the right to ~~emulate his votes and give one candidate~~cast a number of votes equal to the number of ~~directors~~seats to be ~~elected multiplied by the number of votes to which his shares are entitled, or to distribute his votes on the same principle among as many candidates as he shall think fit~~filled. Cumulative voting is not permitted. The candidates receiving the highest number of votes up to the number of directors to be elected shall be elected.

Section 3. Election by Acclamation. If in any election of directors the number of candidates nominated on the date set for the close of nominations for open seats on the Board equals the number of director seats then up for election, then the inspector(s) of elections may declare that the nominees have been elected by acclamation and dispense with the requirement and expense of mailing, counting, and tabulating the ballots cast for the election, as contemplated by Civil Code §§5115–5125 and Section 2 above. Such election by acclamation shall be deemed to satisfy the obligations and requirements of Civil Code §§5100–5110 and conducting an election by the use of secret ballots shall not be required in that situation.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board shall have power to:

- a) Adopt and publish rules and regulations governing the use of the ~~Common Area and facilities,~~project and the personal conduct of the ~~members~~Members and their guests thereon, and to establish penalties for the infraction thereof. The adoption of certain Operating Rules, as defined in Section Civil Code §§4340 and 4355, are subject to statutory obligations to first publish the proposed rules or rule changes to the Members, as more

Strikethroughs = deletions of original language

Underlines = additions to original language

particularly provided in Civil Code §4360. An Operating Rule shall be valid and enforceable only if it satisfies the requirements of Civil Code §4350.

- b) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of ~~these By-Laws, the Articles of incorporation, or the Declaration~~the Governing Documents;
- c) Declare the office of a member of the Board of Directors to be vacant as provided for within Section 3(b) of Article V of these ~~by~~By-Laws;
- d) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;
- e) Contract and pay for maintenance, gardening, utilities, materials and supplies and services relating to the common property and/or facility, and to employ personnel reasonably necessary for the operation of the project, including lawyers and accountants where appropriate;
- f) Pay taxes and special assessments which are or would become a lien on the project or Common Area;
- g) Where appropriate, to pay for reconstruction or any portion or portions of the project damaged or destroyed which are to be rebuilt;
- h) Delegate its powers;
- i) Enter into any Lot or Unit when necessary in connection with maintenance or construction for which the management body is responsible.
- ~~j) Impose a monthly fine of no more than \$200.00 per month for a maximum of three months within any 12 month period on an Owner as a means of achieving the owner's compliance with standards adopted by the Board of Directors regarding landscaping, buildings, fences, walls and other structures. Before an Owner may be fined, the Architectural Control Committee shall have attempted for a period of at least ninety (90) days to obtain voluntary compliance from the owner or longer period as determined appropriate by the Committee in the event of demonstrated hardship cases or special situations. Furthermore, no fine shall be imposed unless a majority of the Directors present at a duly held hearing, conducted per Article XII and at which there is a quorum, determine that the nature of the violation is significant enough to warrant the imposition of a fine and that imposing a fine is in the best interest of the Association. Any fines paid by the Owner shall be returned if the violation is corrected to the satisfaction of the board within thirty (30) days following the hearing or such longer period of time as may be determined by the Board at the hearing. Following the imposition of the third fine and refund period for such fine, the Board shall consider whether legal action should be commenced to correct the violation.~~
- j) Draft a schedule of fines and impose the same on an owner as a means of achieving the owner's compliance.
- k) After affording an ~~Owner~~owner an opportunity for a hearing before the Board conducted in accordance with the due process and disciplinary hearing procedures of Civil Code Section 5855, impose a reimbursement assessment against the ~~Owner~~owner to reimburse the Association for costs incurred to repair damage to ~~Association Property~~Common Area

or Association equipment or facilities for which the ~~Owner~~owner or the ~~Owner's~~owner's family, tenants, guests or invitees were responsible.

Section 2. Duties.

Section 2. Board Actions Requiring Member Approval. The Board of Directors shall not take any of the following actions without the consent of a simple majority of the Members constituting a quorum:

a) Incur aggregate expenditures for Capital Improvements to the Common Areas in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that year.

b) Sell during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

c) Pay compensation to members of the Board of Directors or the officers of the Association, provided, however, that directors and officers can be reimbursed for reasonable out-of-pocket expenses, verified in writing, incurred in carrying on the business of the Association.

d) Enter into a contract with a third party for the furnishing of goods or services to the Common Areas or the Association for a term longer than one (1) year. This restriction shall not apply to:

i) Public utility contracts when the rates charged for materials or services are regulated by the Public Utilities Commission, provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

ii) Prepaid casualty or liability insurance policies for up to 3 years, provided the policy allows short rate cancellation by the insured;

iii) Agreements for cable television services and equipment or satellite dish television services and equipment for up to 5 years; or

iv) Any contract for a term not exceeding 3 years, as long as the Association can terminate it after no longer than 1 year without cause, penalty, or other obligation on 90 days' prior written notice of termination to the other party.

v) Enter into an agreement to borrow money on behalf of the Association or to pledge assessments as collateral for a loan.

Section 3. Duties. It shall be the duty of the Board of Directors to:

- a) Cause to be kept a complete record of all its acts and corporate affairs and cause an annual independent examination of the corporations' account or accounts to be made and to cause a copy of such report to be available to each ~~member~~Member within one hundred twenty (120) days after the close of each fiscal year;
- b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- c) As more fully provided herein, and in the Declaration to:
 - 1) Fix the amount of the annual assessment against each Lot within thirty (30) to ninety (90) days before the end of the Association's fiscal year as provided in Civil Code Section 5310, and
 - 2) Send written notice of each assessment to every ~~Owner~~owner subject thereto not less than thirty (30) nor more than ninety (90) days in advance of each annual assessment period;
- d) Issue, or to cause an appropriate office to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- e) Contract and pay premiums for fire, casualty, liability and other insurance, including indemnity and other bonds;
- f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- g) Cause the Common Area to be maintained, ~~and~~
- ~~h) Cause a notice of assessment to be recorded pursuant to the Declaration and California Civil Code Section 5675; and~~
- ~~i) Comply with the Association's duly adopted Code of Conduct.~~

ARTICLE IX

COMMITTEES

Section 1. Types of Committees. The Association shall maintain an Architectural Control Committee, ~~as provided in the Declaration, and appoint a Nominating Committee, as provided in Article VII or those By Laws.~~ In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purposes such as:

- a) A Community Events/Block Captains Committee which shall interface with the community by providing and collection information/material for the Association, advise the Board of Directors on all matters pertaining to interaction among residents for social,

recreational, and educational purposes and shall perform such other functions as the Board, in its discretion, determines;

- b) A Facilities Committee which shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Properties – such as clubhouse, pools, tennis and volleyball courts, tot lots, and common parking areas – and shall perform such other function as the Board in its discretion determine;
- c) A Finance Committee which shall supervise the annual financial examination of the Association’s books and recommend to the Board of Directors the annual budget and statement of income and expenditures to be presented to the membership at its regular annual meeting, and shall advise the Board of Directors on all matters pertaining to the financial well-being of the Association. The Treasurer shall be an ex-officio member of the Committee.
- d) A Greenbelt Committee which shall advise the Board of Directors on all matters pertaining to the landscaping, greenbelts, trees and walkways of the Association and recommend appropriate action to preserve the aesthetics of these areas.

Section 2. ~~The aforementioned Architectural Control Committee shall preserve the architectural integrity of the community as established by its original design. The committee shall recommend standards for approval by the Board of Directors in order to ensure that adequate protections exist to maintain the appearance as well as the value of Members’ property. It serves as the approving authority, subject to appeal to the Board, for all plans affecting the exterior appearance of Members’ Lots.~~ Qualifications. Committee members shall be Members of the Association, unless a non-Member is appointed with approval of a minimum of five (5) directors. The foregoing prohibition shall not limit the Board in engaging the services of paid consultants to assist committees in their functions.

Section 3. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

ARTICLE X

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the ~~members~~ Members shall be held in ~~the first week of March in the evening~~ May.

Section 2. Special Meetings. Special meetings of the ~~members~~ Members may be called at any time by the President or by the Board of Directors, or upon written request of five ~~(5)~~ percent (5%) of the ~~members~~ Members for such purposes as the recall of Directors.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, ~~by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each member entitled~~

~~to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice not less than 10 nor more than 90 days before the date of the meeting. If notice is given by mail and the notice is not given by first-class, registered, or certified mail, the notice shall be given not less than 20 days (nor more than 90 days) before the meeting.~~ Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. The notice of any meeting at which directors are to be elected shall include the names of all those individuals who are nominees for election to the Board at the time the notice is given to the Members.

Section 4. Quorum. The presence at the meeting of ~~members~~Members entitled to cast, or proxies entitles to cast, ~~fifty~~twenty-five percent (~~50%~~25%) of the voting power shall constitute a quorum for any action except as otherwise provided in the ~~Articles of incorporation, the Declaration, or these By-Laws.~~Governing Documents. If, however, such quorum shall not be present or represented at any meeting, the ~~members~~Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. No meeting may be adjourned for more than 45 days. In addition, when adjournment is for lack of a quorum, the meeting shall be adjourned to a date that is not less than 5 or more than 30 days from the original meeting date. The presence at the adjourned meeting of Members entitled to cast, or proxies entitles to cast, fifteen percent (15%) of the voting power shall constitute a quorum at the adjourned meeting for any action except as otherwise provided in the Governing Documents. In the case of any membership meeting or written ballot called or conducted for the purpose of voting on Regular Assessment increases requiring membership approval or voting on those matters requiring Member consent pursuant to California law the quorum requirement for valid action on the proposal shall be fifty percent (50%) of the Members.

Section 5. Proxies. At all meetings of ~~members~~Members, each ~~member~~Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary ~~;~~prior to the commencement for which it shall be used. Every proxy shall be revocable and shall automatically cease upon conveyance by the ~~member~~Member of his or her Lot. Any instruction given in a proxy issued for an election subject to Civil Code §5100 that directs the manner in which the proxy holder is to cast the vote shall be set forth on a separate page of the proxy that can be detached and given to the proxy holder to retain. The proxy holder shall cast the issuing Member's vote by secret ballot. If a Member marks the ballot "withhold" (or otherwise marks it in a manner indicating that the authority to vote for the election of directors is withheld), the proxy holder shall not vote the proxy either for or against the election of a director. If any proxy issued in connection with the election of directors directs the manner in which the proxy holder is to vote the proxy (i.e., for a specified candidate or candidates), the proxy holder shall vote the secret ballot in accordance with the expressed intentions of the proxy issuer's instructions.

Section 6. Place of Meeting. Meetings of the Members shall be held at within the Association or at such other reasonable place and at such time as may be designated in the notice of the meeting.

Section 7. Effect of a Member's Attendance at a Meeting. Attendance by a Member (or his or her proxy holder) at a meeting shall also constitute a waiver of any objections such person may have with respect to notice of that meeting, except when the Member (or proxy holder) attends the meeting for the sole purpose of objecting at the beginning of the meeting to the transaction of any business due to the inadequacy or illegality of the notice.

ARTICLE XI

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Appointment of Officers. The appointment of officers by the Board shall take place at a first meeting of the Board of Directors following each annual meeting of the ~~members~~Members.

Section 3. Term. The officers of this Association shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board shall appoint directors to serve as liaisons to the Architectural Control Committee, ~~the Greenbelt Committee, and the Facilities Committee~~and any other committees if directed by the Board. The Board may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or Secretary. Such resignation shall take effect on the date of 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.

Section 6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular appointment. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. Unless otherwise delegated by the Board, the duties of the officers are as follows:

President

- a) The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and

other written instruments and shall co-sign all promissory notes. The President shall generally have oversight and direction of the day-to-day functions of the employed manager or management company, unless the Board shall otherwise direct a different officer to take on or share this responsibility.

a)

Vice-President

- b) The Vice-President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, ~~serve as chair of the nominating Committee and as Civic Affairs Liaison~~ and shall exercise and discharge such other duties as may be required of him or her by the Board.

Secretary

- c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the ~~members~~Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep or cause to be kept, appropriate current records showing the ~~members~~Members of the Association together with their addresses, and shall perform such other duties as required by the Board. ~~The Secretary shall be liaison to the Community Events/Block Captains Committee.~~

Treasurer

- d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all promissory notes of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members. The Treasurer may cause others to carry out the acts set forth above (except affixing his signature) unless the Board determines to the contrary. The Treasurer shall be the liaison to the Finance Committee.

ARTICLE XII

NOTICE AND HEARING PROCEDURE

- a) When the Board of Directors is to meet to consider or impose discipline upon a member, the Board shall notify the member in writing, by either personal delivery or first-class mail, at least ten days prior to the meeting. The notification shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which the member may be disciplined, and a statement that the member may attend the meeting and address

the Board. The Board shall meet in executive session unless requested otherwise by the subject member.

- b) If the Board imposes discipline on a member, the Board shall provide the member a written notification of the disciplinary action, by either personal delivery or first-class mail, within fifteen (15) days following the action. A disciplinary action shall not be effective against a member unless the Board fulfills the requirements of this Article.

b)

ARTICLE XIII

BOOKS AND RECORDS

a) Member Inspection Rights

- i. Scope of Inspection Rights of Members. All accounting books and records; minutes of proceedings of the Members, the Board, and committees of the Board; the membership list of the Association; and other documents defined as “association records” or “enhanced association records” shall at all times, during reasonable business hours, be subject to the inspection of any Member in accordance with the requirements and restrictions set forth in Civil Code §§5200-5240. The Member who desires to inspect those documents must submit a written request for inspection to the Association, and that request must state a reason for the requested inspection that reasonably related to the Member’s interests in the Association. The accounting books and records, the minutes of proceedings of an Association, and any information contained in those records may not be used or sold for commercial purposes or used for any other purpose that is not reasonably related to a Member’s interests as a Member. Prohibited uses of the Association’s membership list are set forth in Corporations Code §8338 (see also Civil Code §5230).
- ii. Association’s Right to Withhold Information. The Association has the right to withhold or redact information from the accounting books and records and the minutes of proceedings for any of the following reasons: (A) the release of the information is reasonably likely to lead to identity theft (i.e. the unauthorized use of another person’s personal identifying information to obtain credit, goods, services, money, or property); (B) the release of information is reasonably likely to lead to fraud in connection with the Association; (C) the information is privileged by law; (D) the release of the information is reasonably likely to compromise the privacy of an individual Member of the Association; or (E) the information contains any of the items specified in Civil Code §5215(a)(5). However, except as provided by the attorney-client privilege, the Association may not withhold or redact information concerning compensation paid to employees, vendors, or contractors.

- Compensation information for individual employees shall be presented only by job classification or title, and not by use of the employee's name, social security number, or other personal information.
- iii. Designation of Agent for Purposes of inspection. A Member may inspect and copy those records that are open to Member inspection either in person or through his or her duly appointed representative if a Member designates another person to inspect and/or copy Association records that are open to Member inspection, that designation must be in writing.
 - iv. Where Inspection Rights May Be Exercised. The Association shall make the accounting books and records and the minutes of proceedings available for inspection and copying in the Association's business office provided, however, that the Association has the right to satisfy the requirement to make the accounting books and records and the minutes of proceedings available for inspection and copying by mailing copies of the requested records to the Member by first-class mail within the time periods specified in Civil Code §5210(b).
 - v. Cost of Copies. The Association may bill the requesting Member for its direct and actual cost for copying and mailing requested documents as long as the Association informs the Member of the amount of the copying and mailing costs before sending the requested documents. Except as otherwise provided in subparagraph (iii) above and in Civil Code §4530 (which obligates associations to provide certain information to requesting members), nothing in this subparagraph shall be construed to obligate the Association to make copies of requested documents or to organize or compile specific information or categories of information sought by a requesting Member when the Association has made the information available for inspection and copying by the Member or his or her agent.
 - vi. Electronic Delivery of Information. Requesting parties shall have the option of receiving specifically identified records (and the Association may deliver specifically identified records) by electronic transmission or machine-readable storage media as long as those records can be transmitted in a redacted format that does not allow the records to be altered. Nothing in this subparagraph shall be construed to obligate the Association to make copies of requested documents available by electronic transmission or machine readable storage media if the documents are kept or maintained on in "hard copies," or to organize or compile specific information or categories of information sought by a requesting Member when the Association has made the information available for inspection and copying by the Member or his or her agent. Under such circumstances, the cost of duplication for purposes of subparagraph (v) above shall be limited to the direct cost of producing the copy of a record in that electronic format.
- b) Adoption of Reasonable Inspection Rules. The Board of Directors may establish reasonable rules to implement the provisions of this Section and Civil Code §§5200-5240, including without limitation, with respect to (i) notice of inspection, (ii) hours and days of

the week when inspection may be made, and (iii) payment of the cost of reproducing copies of documents requested by the Member.

ARTICLE XIV

CORPORATE SEAL

The ~~Associations~~Association shall have a seal in circular form having within its circumference the words:

VILLAGE PARK COMMUNITY ASSOCIATION INCORPORATED

AUG. 22 1968

CALIFORNIA

ARTICLE XV

INDEMNIFICATION OF AGENTS

Section 1. Indemnification by Association of Directors, Officers, Employees, and Other Agents. To the fullest extent permitted by law, the Association shall indemnify its directors, officers, employees, and other agents described in Corporations Code §7237, including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any “proceeding” as that term is used in that statute and including an action by or in the right of the Association by reason of the fact that such person is or was a person described by that section. As used in this Section, the term “expenses” has the same meaning as in Corporations Code §7237(a).

Section 2. Approval of Indemnity by Association. On written request to the Board by any person seeking indemnification hereunder, the Board shall promptly determine under Corporations Code §7237(e) whether the applicable standard of conduct set forth in §7237(b) or §7237(c) has been met, and if it has, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to the proceeding, the Board shall promptly call a meeting of Members. At that meeting, the Members shall determine under Corporations Code §7237(e) whether the applicable standard of conduct set forth in §7237(b) or §7237(c) has been met, and if it has, the Members present at the meeting in person or by proxy shall authorize indemnification.

Section 3. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification in defending any proceeding covered by those sections shall be advanced by the Association before final disposition of the proceeding on receipt by the Association of an

Strikethroughs = deletions of original language

Underlines = additions to original language

undertaking by or on behalf of that person that the advance will be repaid, unless it is ultimately determined that the person is entitled to be indemnified by the Association for those expenses.

Section 4. Insurance. The Association shall have the power to purchase and maintain insurance on behalf of its directors, officers, employees, and other agents against other liability asserted against or incurred by any director, officer, employee, or agent in such capacity or arising out of the director's, officer's, employee's, or agent's status as such.

ARTICLE XVI

AMENDMENTS

Section 1. ~~these By-Laws~~Amendment Requirements. These Bylaws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

Section 2. ~~in~~Hierarchy of Documents. In any case of conflict between the Articles of Incorporation and these ~~By-Laws~~Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these ~~By-Laws~~Bylaws, the Declaration shall control.

ARTICLE XVII

XVI

MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December every year.

Section 2. Withdrawal of Funds. In accordance with Civil Code 5510(a), two (2) members of the Board of Directors must sign for withdrawal of monies from the Association's reserve account. Other non-reoccurring expenditures over \$750.00 also require two (2) signatures, ~~one or electronic~~ authorizations, of ~~which may be the Managertwo (2) Directors.~~

Section 3. Deposits. Funds of the Association are to be invested only in securities and individual deposits which are insured by the full faith and credit of the United States Government and are not to exceed the amount covered by the Federal deposit insurance.

Section 4. References. All references in these ~~By-Laws~~Bylaws to various statutes, codes, regulations, ordinances, and other laws shall be deemed to include those laws in effect as of the date of these ~~by-Laws~~Bylaws and any successor laws as may be amended from time to time.

CERTIFICATION

Strikethroughs = deletions of original language

Underlines = additions to original language

1. The foregoing Bylaws are a true and correct copy of the AMENDED BYLAWS OF VILLAGE PARK COMMUNITY ASSOCIATION as approved by the membership on _____, 2021; and

2. That _____, whose signature is affixed below is the Secretary of the VILLAGE PARK COMMUNITY ASSOCIATION, a California nonprofit mutual benefit corporation.

IN WITNESS WHEREOF, we have executed this Certificate on this _____ day of _____, 2021.

SIGNATURE LINES WILL BE PLACED HERE