

## **SECOND BOARD DRAFT 4/23/2018**

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# **AMENDED AND RESTATED BYLAWS OF THE MENLO COMMONS ASSOCIATION**

### **NOTICE**

**If this document contains any restriction based on race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the California *Government Code*. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.**

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1 in which the number of ballots cast equals or exceeds the number required to  
2 establish a quorum as provided in Section 4.5 ("Quorum Requirements").  
3

4 2.18 Member. "Member" shall mean an Owner.  
5

6 2.19 Member in Good Standing. "Member in Good Standing" shall mean a Member of  
7 the Association who is current in the payment of all Assessments and all costs,  
8 fees, charges, and expenditures including, but not limited to, interest, late  
9 charges, attorney fees, recording and filing fees, and all other costs actually  
10 incurred by the Association in collecting and/or enforcing payment of  
11 Assessments, imposed in accordance with the Governing Documents and who is  
12 in compliance with all of the provisions of the Governing Documents. A Member  
13 shall be deemed to be in Good Standing unless, after notice and an opportunity  
14 for hearing, pursuant to Article 14 of the Declaration ("Enforcement; Notice;  
15 Hearings"), the Board has found the Member to be not in Good Standing and has  
16 so notified the Member in accordance with *Civil Code* section 5855.  
17

18 2.20 Owner. "Owner" shall mean the record owner, whether one (1) or more persons  
19 or entities, of the fee simple title to any Condominium, including Contract Sellers  
20 but excluding Contract Purchasers, and excluding those persons having such  
21 interest merely as security for the performance of an obligation.  
22

23 2.21 Project. "Project" shall mean all of the real property described in the Declaration  
24 as comprising The Menlo Commons condominium project, and any additional  
25 real property as may hereafter be brought within the jurisdiction of the  
26 Association.  
27

28 2.22 Proxy. "Proxy" shall mean a written authorization signed by a Member or a  
29 Member's attorney-in-fact giving another person or persons power to vote for  
30 such Member, as defined in *Corporations Code* section 5069.  
31

32 2.23 Resident. "Resident" shall mean any person who resides in a Unit within the  
33 Project whether or not such person is an Owner.  
34

35 2.24 Rules. "Rules" shall mean the policies, rules, and regulations governing the  
36 administration, management, operation, use, and occupancy of the Project,  
37 including the use of the Common Area and facilities, the personal conduct of  
38 Members and Residents, members of their household, pets, tenants, invitees,  
39 and guests within the Project, enforcement of the Governing Documents, and  
40 any other matter that is within the jurisdiction of the Association, as adopted,  
41 published, or amended by the Board from time to time and subject to applicable  
42 law including *Civil Code* section 4340 and following.  
43

44 2.25 Total Voting Power. "Total Voting Power" shall mean the total number of votes of  
45 all Members entitled to vote at a particular time, calculated on the basis of one

1 from the Association are to be delivered, (iii) the name and address of his or her  
2 legal representative, if any, including any person with power of attorney or other  
3 person who can be contacted in the event of the Owner's extended absence from  
4 the Unit, and (iv) whether the Unit is Owner-occupied, is rented out, or if the Unit  
5 is vacant. If an Owner fails to provide notice to the Association as set forth in (i)  
6 and (ii), above, the last address provided in writing by the Owner or, if none, the  
7 Unit property address, shall be deemed the address to which the Association  
8 shall deliver notices.

9  
10 3.5 Notice of Transfer of Title. Upon transfer of title to a Unit, the transferee shall be  
11 responsible for notifying the Association of such transfer. The notification shall  
12 set forth the address of the Unit, the names of the transferee and the transferor,  
13 and the date of sale or other transfer. Prior to receipt of such notification, any  
14 and all communications required or permitted to be given by the Association or  
15 the Board to the Unit Owner shall be deemed to be duly made and given to the  
16 transferee if duly and timely made and given to the person shown as the Owner  
17 of the Unit and at the address in the Association's records.

18  
19 3.6 Proof of Membership. No person shall exercise the rights of a Member until  
20 satisfactory proof of membership has been furnished to the Association. Such  
21 proof may consist of either a duly-executed and acknowledged grant deed or a  
22 title insurance policy showing that the person is an Owner as defined in Section  
23 2.20 ("Owner"). Such deed or policy shall be deemed conclusive proof of  
24 ownership in the absence of a conflicting claim based on a later deed or policy.

25  
26 3.7 Voting Rights; Joint Owners.

27  
28 3.7.1 One Vote per Unit. Only Members in Good Standing shall be entitled  
29 to vote on any issue or matter presented to the Members for approval  
30 or membership vote. Members in Good Standing shall be entitled to  
31 cast one (1) vote for each Unit owned.

32  
33 3.7.2 Joint Owners. In the event more than one (1) person owns a given  
34 Unit, the vote for such Unit shall be exercised as the Owners among  
35 themselves shall determine, but in no event shall more than one (1)  
36 vote be cast with respect to any Unit. If the joint Owners of a Unit are  
37 unable to agree among themselves as to how their vote is to be cast,  
38 they shall lose their right to vote on the matter in question. If any joint  
39 Owner of a Unit casts a vote representing a certain Unit, it will  
40 thereafter be conclusively presumed for all purposes that such Owner  
41 was acting with the authority and consent of the other Owners of that  
42 Unit.

43  
44 3.7.3 Trusts, Corporations, Other Entities. In the case of an Owner that is  
45 not a natural person (such as a corporate trustee, corporation or other

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4.5 Quorum Requirements. The number of ballots that must be cast in order to establish a quorum shall be as follows:

*✱*

4.5.1 Election of Directors. *OR REMOVE* In any election of one (1) or more directors, the number of valid ballots received shall constitute a quorum. *may be*

4.5.2 Assessment Votes. To the extent required by *Civil Code* section 5605, notwithstanding any other provision in the Governing Documents, for purposes of voting on a Special Assessment or an increase in the Regular Assessment that by law must be approved by the Members, a quorum shall mean more than fifty percent (50%) of the Members ~~as~~ distinguished from percentage of the Total Voting Power, or such other quorum requirement as may be specified by law. *63 LAST MEETING*

*63*

*63*

4.5.3 Amending the Declaration. In any vote to amend the Declaration, a quorum shall mean more than fifty percent (50%) of the Total Voting Power. *63 LAST MEETING*

*63*

4.5.4 All Other Member Votes. For any other vote or election by the Members, a quorum shall be one-third (1/3) of the Total Voting Power. *1/3*

4.5.5 Meetings to Count Ballots. There shall be no quorum requirement for Member attendance at any meeting of the Members held for the purpose of tabulating ballots pursuant to *Civil Code* section 5120(a) and no voting by the Members.

4.6 Act of Members Requires Majority of a Quorum. Except where the Governing Documents specify a higher percentage of a quorum or require a specified percentage of the Total Voting Power of the Members for any action that may be taken by the Members, the affirmative vote of a Majority of a Quorum of the Members shall constitute the action of the Members. *1/3*

4.7 Results of Membership Votes. To the extent required by *Civil Code* section 5120(b), the Board shall within fifteen (15) days of an election give General Notice of the tabulated results to all the Members. To the extent required by *Corporations Code* section 8325, for a period of sixty (60) days following the conclusion of any membership vote (or, if applicable, an annual, regular, or special meeting of Members), a Member shall, upon written request, be informed forthwith of the result of any particular vote of the Members, including the number of memberships voting for, the number of memberships voting against, and the number of memberships abstaining or withheld from voting. If the matter voted on was the election of directors, the Association shall report the number of votes cast for each nominee for director.

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1 5.3 Qualification of Directors. Only persons who satisfy all of the following  
2 qualifications shall be eligible to be elected to or serve on the Board: (i) is an  
3 Owner, a resident of the Menlo Commons condominium project who is a parent  
4 of an Owner or the spouse or registered domestic partner of an Owner and who  
5 lives with that Owner, or a duly-authorized officer of a corporate Owner, a partner  
6 of a partnership Owner or a member or manager of a limited liability company  
7 Owner, (ii) is an Owner who is a Member in Good Standing or a resident spouse  
8 or registered domestic partner living with an Owner who is a Member in Good  
9 Standing, (iii) is over eighteen (18) years of age, (iv) has not been found by a  
10 court of competent jurisdiction to be of unsound mind, and (v) has not been  
11 convicted of a felony. Co-Owners of one (1) or more Units may not serve on the  
12 Board at the same time. A spouse or domestic partner of an Owner may not  
13 serve on the Board at the same time as their spouse or partner.  
14

15 5.4 Nomination Procedures. Nominations of candidates for election to the Board of  
16 Directors may be made by a Nominating Committee (hereinafter, "Nominating  
17 Committee") or by self-nomination, as follows:  
18

19 5.4.1 By Nominating Committee. Prior to any election of directors, the Board  
20 may appoint a Nominating Committee to nominate candidates for  
21 election to the Board. If appointed, the Nominating Committee shall  
22 nominate as many candidates for election to the Board as it shall in its  
23 discretion determine, but shall endeavor to nominate not less than the  
24 number of positions on the Board that are to be filled in the election.  
25 All nominations shall be made from among persons who satisfy the  
26 qualifications set forth in Section 5.3 ("Qualification of Directors") and  
27 shall be made prior to the deadline for nominations.  
28

29 5.4.2 By Self-nomination. Any Member who satisfies the qualifications set  
30 forth in Section 5.3 ("Qualification of Directors") may place his or her  
31 name in nomination for election to the Board by giving written notice to  
32 the President or Secretary of the Association. Notice of self-  
33 nomination must be received prior to the deadline for nominations.  
34

35 5.5 Deadline for Nominations. The deadline for nominations shall be set by the  
36 Board and shall be not less than five (5) and not more than forty-five (45) days  
37 prior to the date of the mailing or delivery of ballots for any election of directors.  
38 All nominations, whether by a Nominating Committee or by self-nomination, must  
39 be received prior to the deadline for nominations.  
40

41 5.6 Publication of Deadline for Nominations. The date and time of the deadline for  
42 nominations shall be published at least fifteen (15) days in advance of the  
43 deadline in an Association newsletter, or if there is no such newsletter, notice  
44 shall be given in one (1) or more of the following manners: (i) by posting a notice  
45 in one (1) or more prominent places within the Project, (ii) by mailing or delivering

1 of any director, (ii) in the event of a declaration of a vacancy by the Board as  
2 provided below in this Section 5.15, (iii) if the authorized number of directors is  
3 increased, or (iv) if the Members fail to elect the full authorized number of  
4 directors.

5  
6 5.15.1 Resignation. Any director may resign by giving written notice to the  
7 Board. The resignation shall be effective on the date specified in the  
8 notice. Unless otherwise provided in the notice, the acceptance of a  
9 resignation shall not be necessary to make it effective.

10  
11 5.15.2 Disqualification of a Director. As provided in *Corporations Code*  
12 section 7221(b), the Board of Directors, by a majority vote of the  
13 directors who meet all of the qualifications for directors as set forth in  
14 Section 5.3 ("Qualification of Directors"), may declare vacant the office  
15 of any director who fails or ceases to meet any required qualification  
16 that was in effect at the beginning of that director's current term of  
17 office.

18  
19 5.15.3 Failure to Perform Duties. Pursuant to *Corporations Code* section  
20 7221(a), the Board, by vote of a majority of a quorum, may declare  
21 vacant the office of any director who: (i) fails within sixty (60) days  
22 after receiving notice of election to accept office, either in writing or by  
23 attending a meeting of the Board as a director, (ii) is absent from two  
24 (2) consecutive meetings of the Board or refuses to sign or violates the  
25 provisions of the Menlo Commons Board of Director's Code of  
26 Conduct.

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27  
28 5.16 Filling Vacancies.

29  
30 5.16.1 Removal by Members. Pursuant to *Corporations Code* section 7224,  
31 vacancies on the Board created by the removal of a director by the  
32 Members shall be filled by approval of the Members. A director  
33 elected by the Members to fill such a vacancy shall serve the  
34 remainder of the term of office of the director whom he or she replaces.

35  
36 5.16.2 Other Vacancies. Any vacancy occurring on the Board of Directors,  
37 except a vacancy created by the removal of a director by the Members  
38 may be filled (i) by approval of the Board of Directors; or (ii) by a sole  
39 remaining director. If the Board accepts the resignation of a director  
40 tendered to take effect at a future time, the Board, including the  
41 resigning director, may choose or, if the Board fails to act, the  
42 Members may elect, a successor to take office when the resignation  
43 becomes effective. The Members may elect a director at any time to  
44 fill any vacancy not filled by the directors. A director chosen by the  
45 Board in accordance with this Section 5.16 to fill a vacancy shall serve

1 with such care, including reasonable inquiry, as an ordinarily prudent person in a  
2 like position would use under similar circumstances.

3  
4 5.21 Limitation of Liability of Officers and Directors. No director, officer, committee  
5 member, employee, or other agent of the Association shall be liable to any  
6 Owner or any other person or entity, including the Association, for any damage,  
7 loss, or prejudice suffered or claimed on account of any act, omission, error, or  
8 negligence of any such person if such person acted in good faith and in a  
9 manner such person reasonably believed to be in the best interests of the  
10 Association.

11  
12  
13 **ARTICLE 6 MEETINGS OF DIRECTORS**

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14  
15 6.1 Definition of Meeting of the Board. As defined in *Civil Code* section 4090, a  
16 "meeting" of the Board shall mean either: (a) a congregation, at the same time  
17 and place, of a sufficient number of directors to establish a quorum of the Board,  
18 to hear, discuss, or deliberate upon any item of business that is within the  
19 authority of the Board or (b) a teleconference, where a sufficient number of  
20 directors to establish a quorum of the Board, in different locations, are connected  
21 by electronic means, through audio or video or both. The foregoing includes  
22 executive session meetings of the Board.

23  
24 6.2 Teleconference Meetings. A teleconference meeting shall be conducted in a  
25 manner that protects the rights of Members of the Association and otherwise  
26 complies with the requirements of the Davis-Stirling Common Interest  
27 Development Act (*Civil Code* section 4000 and following). Except for a meeting  
28 that will be held solely in executive session, the notice of the teleconference  
29 meeting shall identify at least one (1) physical location so that Members of the  
30 Association may attend, and at least one (1) director or a person designated by  
31 the Board shall be present at the location. Participation by directors in a  
32 teleconference meeting constitutes presence at that meeting as long as all  
33 directors participating are able to hear one another, as well as Members of the  
34 Association speaking on matters before the Board.

35  
36 6.3 Organizational Meeting. As soon as possible, but in any event within thirty (30)  
37 days, after each annual election of directors, the Board of Directors shall hold a  
38 meeting for the purpose of organization, appointment of officers, and transaction  
39 of other business, as appropriate.

40  
41 6.4 Regular Meetings of the Board. Regular meetings of the Board shall be held at  
42 least once every three (3) months upon proper notice which conforms to the  
43 provisions of Section 6.7 ("Notice to Directors") and Section 6.8 ("Notice to  
44 Members; Agenda"), at the place, day, and time set forth in such notice.

1 6.10 Executive Session. To the fullest extent permitted by law, including *Civil Code*  
2 section 4935, the Board may meet in executive session to confer with legal  
3 counsel or to discuss and/or vote upon personnel matters, Member discipline,  
4 litigation in which the Association is or may become involved, matters that relate  
5 to the formation of contracts between the Association and others, and for the  
6 purpose of meeting with a Member, upon such Member's request, regarding the  
7 Member's payment of Assessments. In any matter relating to the discipline of a  
8 Member, the Board shall meet in executive session if requested to do so by that  
9 Member, and that Member and any other person(s) whose participation is, in the  
10 judgment of the Board, necessary or appropriate, shall be entitled to attend the  
11 executive session; *provided, however*, that (i) to the extent required by *Civil Code*  
12 section 5673, a decision by the Board to record a lien for delinquent  
13 Assessments shall be made at an open meeting of the Board, and (ii) to the  
14 extent required by *Civil Code* section 5705(c), a vote of the Board to initiate  
15 foreclosure of a lien for delinquent Assessment shall be taken in executive  
16 session but shall be recorded in the minutes of the next following open meeting  
17 of the Board. There shall be no requirement that the Board convene an open  
18 meeting in order to meet in executive session.  
19

20 6.11 Board's Action by Unanimous Written Consent. To the extent provided in *Civil*  
21 *Code* section 4910, the Board may not take action by unanimous written consent  
22 without a meeting except in case of emergency and then only by electronic  
23 transmission, including email as provided in *Civil Code* section 4910(b)(2). Any  
24 such written consents shall be filed with the minutes of the proceedings of the  
25 Board.  
26

27 6.12 Quorum for Board's Action. A majority of the number of directors then in office  
28 (but not less than two) shall constitute a quorum for the transaction of business.  
29 Every act or decision done or made by a majority of the directors present at a  
30 duly-held meeting at which a quorum is present shall be regarded as the act of  
31 the Board. A meeting at which a quorum is initially present may continue to  
32 transact business, notwithstanding the withdrawal of directors, if any action taken  
33 is approved by a majority of the required quorum for that meeting.  
34

35 6.13 Voting by Directors. Pursuant to *Corporations Code* section 7211(c), each  
36 director shall be entitled to one (1) vote and a director may not vote by proxy or  
37 otherwise delegate his or her right to vote on any matter before the Board.  
38

39 6.14 Minutes of Meetings of Directors. To the extent required by *Civil Code* section  
40 4950(a), within thirty (30) days after the date of any meeting of the Board, the  
41 Board shall make available to the Members either (i) the minutes of that meeting  
42 as adopted by the Board, (ii) if the minutes have not yet been adopted by the  
43 Board, the minutes as proposed for adoption which shall be marked to indicate  
44 draft status, or (iii) a summary of the minutes. To the extent required by *Civil*  
45 *Code* section 4935(e), any matter discussed in an executive session shall be



1 The statement shall be in at least 10-point font on a separate piece of  
2 paper and in the following form:  
3

4 "Certification by the federal Department of Veterans Affairs may  
5 provide benefits to members of an association, including an  
6 improvement in an owner's ability to refinance a mortgage or obtain  
7 secondary financing and an increase in the pool of potential buyers of  
8 the separate interest.  
9

10 This common interest development [is/is not (circle one)] a  
11 condominium project. The association of this common interest  
12 development [is/is not (circle one)] certified by the federal Department  
13 of Veterans Affairs."  
14

15 7.5.11 Charges for Documents Provided Disclosure. The completed  
16 "Charges for Documents Provided" disclosure identified in *Civil Code*  
17 section 4528. For purposes of this Section 7.5, "completed" means  
18 that the "Fee for Document" section of the form individually identifies  
19 the costs associated with providing each document listed on the form.  
20

21 7.6 Notice of Certain Changes in Insurance. In accordance with *Civil Code* section  
22 5810, as soon as reasonably practicable, the Association shall provide Individual  
23 Notice, to all Members if any of the policies described in Section 7.5.8  
24 ("Summary of Association's Insurance Policies") have lapsed or been canceled,  
25 and are not immediately renewed, restored, or replaced, or if there is a significant  
26 change, such as a reduction in coverage or limits or an increase in the deductible  
27 for any of those policies. If the Association receives any notice of non-renewal of  
28 a policy described in Section 7.5.8 and replacement coverage will not be in effect  
29 by the date the existing coverage will lapse, the Association shall immediately  
30 provide Individual Notice thereof to the Members.  
31

32 7.7 Annual Policy Statement; Notifications to Members. In accordance with *Civil*  
33 *Code* section 5310(a)(1) through (12), not less than thirty (30) days and not more  
34 than ninety (90) days before the end of the fiscal year, the Board shall distribute  
35 to the Members an annual policy statement which shall include all of the  
36 following:  
37

38 7.7.1 Official Communications to Association. A statement notifying the  
39 Members of the name and address of the person designated to receive  
40 official communications to the Association, in the manner prescribed by  
41 *Civil Code* section 4035;  
42

43 7.7.2 Secondary Address for Certain Notices. A statement notifying the  
44 Members of an Owner's right to submit to the Association, in  
45 accordance with *Civil Code* section 5260(b), a request to have notices

- 1           7.7.10   Notice of Required Architectural Approval. A notice of the requirement  
2                   for Association approval of physical changes to property, as required  
3                   by *Civil Code* section 4765 describing the types of changes that  
4                   require Association approval and including a copy of the procedure for  
5                   review and approval or disapproval which may consist of a copy of  
6                   Article 8 of the Declaration (“Architectural and Unit Remodeling  
7                   Considerations”) and a copy of the Architectural Rules, if any;  
8  
9           7.7.11   Mailing Address for Overnight Payment of Assessments. A statement  
10                   notifying the Members of the mailing address for overnight payment of  
11                   Assessments in accordance with *Civil Code* section 5655(c); and  
12  
13           7.7.12   Other Required Information. A statement notifying the Members of  
14                   other information required by law, or by the Governing Documents, or  
15                   that the Board determines in its sole judgment to be appropriate for  
16                   inclusion in the annual policy statement.  
17  
18   7.8   Documents Provided to Prospective Purchasers. To the extent required by *Civil*  
19           Code section 4530(a), the Board shall provide or cause to be provided to a  
20           requesting Owner, within ten (10) days of a written request therefor, the items  
21           specified in *Civil Code* section 4525(a), or any of them.  
22  
23   7.9   Association’s Duty to Annually Solicit Owner’s Notice of Address, Other  
24           Information. As required by *Civil Code* section 4041, the Association shall  
25           annually solicit from each Owner notice of the following: (i) the Owner’s address  
26           for the purpose of receiving notices from the Association, (ii) an alternative or  
27           secondary address, if any, to which notices from the Association are to be  
28           delivered, (iii) the name and address of his or her legal representative, if any,  
29           including any person with power of attorney or other person who can be  
30           contacted in the event of the Owner’s extended absence from the Unit, and (iv)  
31           whether the Unit is Owner-occupied, is rented out, or if the Unit is vacant. The  
32           information obtained from each Owner shall be entered into its books and  
33           records of the Association at least thirty (30) days prior to sending its annual  
34           budget report as set forth in Section 7.5 (“Annual Budget Report”). If an Owner  
35           fails to provide notice to the Association as set forth in (i) and (ii), above, the last  
36           address provided in writing by the Owner or, if none, the Unit property address,  
37           shall be deemed the address to which the Association shall deliver notices.  
38  
39   7.10   Review of Annual Financial Statement. To the extent required pursuant to *Civil*  
40           Code section 5305, for any fiscal year in which the gross income to the  
41           Association exceeds Seventy-five Thousand Dollars (\$75,000.00), the Board  
42           shall obtain a review of the financial statements of the Association prepared in  
43           accordance with generally accepted accounting principles by a licensee of the  
44           California State Board of Accountancy and shall distribute it to all Members of the  
45           Association within one hundred twenty (120) days after the close of such fiscal

1 for which the reserve fund was established; *provided, however*, that the Board  
2 may authorize a temporary transfer of money from a reserve fund to the  
3 Association's general operating fund for the purposes and subject to *Civil Code*  
4 section 5520.  
5  
6

7 **ARTICLE 8 POWERS OF THE BOARD OF DIRECTORS**  
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9 The Board of Directors shall have such powers as may be provided by law or  
10 expressly set forth in the Governing Documents. Without limiting the generality  
11 of the foregoing, the Board shall have the powers specified in this Article 8,  
12 subject to any limitations or conditions as may be set forth in the Articles, the  
13 Bylaws, or the Declaration.  
14

15 8.1 Make Contracts. The Board shall have the power to authorize any officer or  
16 officers to enter into any contract in the name of, or on behalf of, the Association.  
17

18 8.2 Consult Professional Advisors. The Board shall have the power to consult with,  
19 seek the advice of, and reasonably rely on the advice of attorneys, accountants,  
20 and other professionals in carrying out the Board's authority and responsibility  
21 under the Governing Documents and the law, and to pay for such professional  
22 services.  
23

24 8.3 Hire a Manager and Others. The Board shall have the power to engage the  
25 services of a manager or management company as either an employee or an  
26 independent contractor, and engage such other employees or independent  
27 contractors as the Board may deem necessary, and to prescribe their duties.  
28

29 8.4 Adopt and Enforce Rules. Subject to applicable law, including *Civil Code*  
30 sections 4340 through 4370 (regarding procedures for adopting or changing  
31 certain rules), the Board shall have the power to adopt, publish, amend, repeal,  
32 and enforce Rules.  
33

34 8.5 Collect Assessments by Foreclosure and/or Legal Action. As addressed in the  
35 Declaration, the Board shall have the power to collect Assessments levied by the  
36 Association by foreclosing the lien against any property for which Assessments  
37 are not paid as required by the Declaration and/or by bringing an action at law  
38 against the Owner personally obligated to pay the same.  
39

40 8.6 Impose Sanctions. Upon an explicit finding and for reasons specified by the  
41 Board following a hearing conducted in accordance with Article 14 of the  
42 Declaration ("Enforcement; Notice; Hearings"), the Board shall have the power to  
43 impose sanctions on a Member who is in default in the payment of any  
44 Assessment or other charge levied by the Board or is found to be in violation of



1 indemnify and hold harmless, to the maximum extent permitted by California law,  
2 each person who is or at any time was a director, officer, employee, or agent of  
3 the Association, or member of any committee appointed by the Board from and  
4 against any and all claims, liabilities, expenses, judgments, fines, settlements,  
5 and other amounts, as those terms are defined by California law, actually and  
6 reasonably incurred by any such person, and to which any such person shall  
7 become subject by reason of his or her being a director, officer, employee, or  
8 agent of the Association, or member of any committee appointed by the Board.

9  
10 8.13 Appoint Committees. The Board may appoint an Architectural Committee, as  
11 provided in the Declaration, and a Nominating Committee, as provided in these  
12 Bylaws and may appoint such other committees as it deems appropriate in  
13 carrying out the powers and purposes of the Association except that the Board  
14 may not delegate its authority to hold hearings or impose sanctions. Any  
15 "Committee of the Board" (that is, a committee consisting only of directors, as  
16 referred to in *Corporations Code* section 7212) shall consist of at least two (2)  
17 directors and shall have such powers and duties as the Board shall determine,  
18 subject to the limitations of *Corporations Code* section 7212. As provided in  
19 *Corporations Code* section 7212(b), a committee exercising the authority of the  
20 Board shall not include as members any persons who are not directors. All  
21 committees and committee members shall serve at the pleasure of the Board.

22  
23 8.14 Other Powers and Duties. The Board shall have the power to exercise for the  
24 Association all powers, duties, and authority vested in or delegated to the  
25 Association and not reserved to the Members by other provisions of the  
26 Governing Documents, and undertake any action on behalf of the Association as  
27 the Board shall deem necessary or proper in furtherance of the purposes and  
28 powers of the Association and/or the interests of the Association and its  
29 Members.

30  
31  
32 **ARTICLE 9 OFFICERS AND THEIR DUTIES**

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33  
34 9.1 Enumeration of Principal Officers. The principal officers of this Association shall  
35 be a President, a Vice-President, a Secretary, and a Chief Financial Officer who  
36 shall at all times be members of the Board of Directors. The Board may, from  
37 time to time, by resolution appoint other officers as the Board may determine, as  
38 provided in Section 9.4 ("Special Appointments").

39  
40 9.2 Appointment of Principal Officers. The appointment of the principal officers shall  
41 take place at the first meeting of the Board following each annual election of  
42 directors.  
43

1 be prescribed by the Board of Directors and the Bylaws, subject, however, to any  
2 limitations contained in the Declaration.

3  
4 9.11 Vice-President. In the absence or disability of the President, the Vice-President  
5 shall perform all the duties of the President and, when so acting, shall have all of  
6 the powers of, and be subject to all of the restrictions upon, the President  
7 including the restriction on holding multiple offices as set forth in ~~Secretary~~  
8 ("Multiple Offices"). The Vice-President shall have such other powers and  
9 perform such other duties as, from time to time, may be prescribed by the Board  
10 of Directors. In the absence or disability of both the President and the Vice-  
11 President, or if there is not a Vice-President in office, the Board shall designate  
12 another director to preside at a meeting of the Board or of the Members.

13  
14 9.12 Secretary. The Secretary shall keep or cause to be kept, at the principal office or  
15 such other place as the Board of Directors may prescribe, a book of minutes of  
16 all meetings of directors and Committees of the Board, all meetings of any other  
17 committee appointed by the Board that has decision-making authority, and all  
18 meetings and votes of Members. The Secretary shall give, or cause to be given,  
19 notice of all meetings of the Members and of the Board of Directors required by  
20 the Bylaws or by law to be given and shall maintain a proper record of the giving  
21 of such notice; shall keep or cause to be kept in safe custody the books, records,  
22 and documents of the Association; and shall have such other powers and  
23 perform such other duties as may be prescribed by the Board of Directors or the  
24 Bylaws.

25  
26 9.13 Chief Financial Officer. The Chief Financial Officer shall be responsible for the  
27 receipt and deposit in appropriate accounts of all monies of the Association and  
28 shall cause disbursement of such funds as directed by resolution of the Board of  
29 Directors; may sign all checks and promissory notes of the Association; shall  
30 keep or cause to be kept proper books of account; shall cause an annual review  
31 of the Association's books and financial statements to be made by a public  
32 accountant at the completion of any fiscal year for which such review is required  
33 by law or as determined by the Board; shall assist the Board in preparation of an  
34 annual budget and a statement of income and expenditures to be presented to  
35 the Members of the Association as provided by law; and shall have such other  
36 powers and perform such other duties as may be prescribed by the Board of  
37 Directors.

38  
39  
40 **ARTICLE 10 MINUTES; BOOKS AND RECORDS; FUNDS**

41  
42 10.1 Minutes of Meetings. To the extent required by *Corporations Code* section  
43 8320(a)(2), the Association shall keep minutes of meetings and proceedings of  
44 the Members (including membership votes), meetings of the Board and

1 Directors and one (1) officer who is not a member of the Board of  
2 Directors.

3  
4 10.5 Funds and Deposits. Any funds of the Association shall be deposited to the  
5 credit of the Association in such banks or other depositories as the Board of  
6 Directors shall, from time to time, determine.

7  
8 10.6 Fiscal Year. The fiscal year of the Association shall be as determined by  
9 resolution of the Board of Directors.

10  
11  
12 **ARTICLE 11 AMENDMENTS**

13  
14 11.1 Amendments Generally. These Bylaws may be amended by approval of the  
15 Board and the affirmative vote of a Majority of a Quorum of the Members;  
16 *provided, however,* that, upon advice of legal counsel licensed to practice law in  
17 the State of California, including the drafting by legal counsel of appropriate  
18 amendatory provisions, the Board shall have the authority without the  
19 requirement of Member approval to amend any provision of the Bylaws: (i) to  
20 resolve any conflict between the Bylaws and applicable law which may arise due  
21 to the enactment or amendment of a statute or due to a development in  
22 applicable case law or (ii) to conform the provisions of the Bylaws to changes in  
23 applicable statutory law that impose requirements that are non-discretionary.

24  
25 11.2 Record of Amendments. When an amendment or a new Bylaw provision is  
26 adopted, it shall be placed in the appropriate place in the minute book of the  
27 Association together with a certificate signed by the Secretary stating the date on  
28 which it was approved by the Board and whether at a meeting or by unanimous  
29 written consent of the directors, and the date on which it was approved by the  
30 Members.

31  
32  
33 **ARTICLE 12 MISCELLANEOUS**

34  
35 12.1 Conflict in Governing Documents. In the case of any conflict between the  
36 Articles of Incorporation and these Bylaws, the Articles shall control; and in the  
37 case of any conflict between the Declaration and these Bylaws, the Declaration  
38 shall control.

39  
40 12.2 Amendments to Referenced Statutes; Time for Performance. References in the  
41 Bylaws to particular statutes, including sections of the *Civil Code* or the  
42 *Corporations Code*, shall be deemed to include any successor statute and any  
43 amendments to existing or successor statutes. Whenever these Bylaws state a  
44 time for the performance of any act by the Association which by law (as it may