

BYLAWS OF THE VILLAGE GREEN OWNERS ASSOCIATION
A CALIFORNIA MUTUAL BENEFIT CORPORATION
Revised and Restated as of May 26, 2009

ARTICLE I
OFFICES

The principal office of the transaction of the business of the Association shall be established and maintained at 5300 Rodeo Road in the City and County of Los Angeles, State of California.

ARTICLE II
DEFINITIONS

Unless the context shall expressly establish a different construction, each of the words and phrases below shall have the following meaning when used herein, and shall apply to all common areas, units and Association properties:

- A. "Articles" means the Articles of Incorporation of the Association.
- B. "Association" means the Village Green Owners Association, a California nonprofit corporation, or its successor.
- C. "Association Property" means all the real property and easements on real property and all personal property now owned or hereafter acquired by the Association, together with any fixtures or structures acquired or constructed by the Association on such real property or easements.
- D. "Common Areas" means and refers to the entire Project but excepting the Units and the Association Property.
- E. "Condominium" means a condominium as defined in Section 783 of the California Civil Code as used herein means a Unit, together with an undivided fractional portion of the Common Areas conveyed therewith and any nonexclusive easements appurtenant thereto.
- F. "Declaration" means that certain Declaration of Covenants, Conditions and Restrictions executed or to be executed, acknowledged and recorded by the Developer.
- G. "Member" or "membership" means a member of the Association.
- H. "Owner" means the record owner of a Condominium in the project and shall include in the singular and any multiple, joint or other ownership.
- I. "Project" means Village Green Condominium Project, which is a project as defined in Section 1350 of the California Civil Code.

J. "Unit" or "Units" means the element or elements of the Project which are not owned in common by the Owners of the Condominiums in the project.

ARTICLE III
MEMBERS

A. Class of Membership and Qualification

The Association shall have one class of Members. Each unit shall have one membership in the Association. The total number of members in the Association shall be limited to the number of Condominiums located within the Project. If any Unit is owned by more than one person, the membership relating to such Unit shall be held jointly by the owners of the Unit and the rights of membership, including the voting power arising therefrom, shall be exercise solely by joint action of a majority of the owners of such Unit.

B. Termination of Membership

A Member's membership in the Association shall terminate when he dies or ceases being an owner.

C. Fees, Assessments

1. Neither application fees nor transfer fees shall be imposed or required.

2. One twelfth (1/12th) of the annual assessments provided for in Section 7 of the Declaration shall be payable in advance on the first day of each calendar month, commencing with January 1 of each calendar year. The Board of Directors may by resolution change the installments or frequency of payment of the assessments. In such event, notice shall be given to the members pursuant to Sections 4 and 5 hereof, and such change shall not become effective until at least twenty (20) days following the giving of such notice.

3. Annual and special assessments shall be made by duly adopted resolutions of the Board of Directors. Every resolution levying the annual assessment or providing for a special assessment shall specify the total amount of the assessment, to whom and where payable, and shall fix a day on which the unpaid assessment (or the installments thereof) becomes delinquent, which shall not be less than thirty (30) days after nor more than sixty (60) days after the date written notice of the assessment is given to the Members. The delinquent dates for installments may be set at later dates.

4. On adoption of a resolution by the Board of Directors levying an assessment, the Secretary of the Association shall forthwith give notice thereof in writing to each of the Members. The notice shall set forth the name of the Association, the location of its principal office, the fact and date of the resolution, the amount of the assessment, the portion of the assessment which the Member is liable to pay, to whom

and where the assessment is payable, the date on which the assessment, if unpaid, shall become delinquent, the fact that if not paid the assessment shall become a lien on the Member's Condominium and that the assessment (and any installment thereof, if applicable) shall be collectible either by an action at law to recover the amount thereof or by an action to foreclose the lien. The notice shall further state that "in the event it is necessary for the Association to commence an action, whether at law or by foreclosure, the Association shall be entitled to recover reasonable attorneys' fees, court costs, and any other costs in addition to the amount of the assessment and interest thereon." In the event two or more persons own a Condominium, the notice provided for in this section shall specify a total amount due with respect to such Condominium and a notice need be sent to only one of such persons.

5. The notice of assessment shall be either served on each Member personally not less than ten (10) days prior to the delinquent date or, in lieu of personal service, sent by first class mail post paid not less than ten (10) days prior to the delinquent date, addressed to the Member at the Member's address as it appears on the books of the Association.

6. In the event any assessment (or any installment thereof) is not paid on or before the delinquent date, the Board of Directors may cause a notice of lien to be recorded in the office of the County Recorder of Los Angeles County. Such notice shall specify (a) the amount of the assessment, (b) a description of the Condominium assessed and (c) the name of the Owner or Owners of the Condominium assessed. On and after the date of recording such notice, such unpaid assessment, together with interest thereon at the maximum rate permitted by law from the due date until paid and all reasonable costs and attorneys' fees incurred in connection therewith, shall be and become a lien upon the Condominium so assessed. Such lien may be enforced by an action at law to recover the amount due or by judicial foreclosure or by power of sale foreclosure at the discretion of the Board of Directors. These procedures shall be conducted in accordance with the California Civil Code.

7. Assessments may be made by the Board of Directors to carry out any of its powers or obligations set forth herein or in the Declaration and to enforce the provisions of the Articles, these Bylaws, the Declaration and any rules or regulations made thereunder.

8. Each member shall be assessed on the basis set forth in Section 7 of the Declaration, provided that in the event a Condominium is owned by two or more persons, each person shall be jointly and severally liable for any assessment made with respect to such Condominium.

9. Notwithstanding any other provisions of these Bylaws, Article III, C may be amended or repealed only by the affirmative vote of seventy-five (75) percent of the Members who are in good standing. For purposes of this vote, a Member who has not paid any assessment or any installment thereof within thirty (30) days following the delinquent date thereof shall not considered be in good standing.

D. Membership Book

The Association shall keep a membership book containing the name and address of each Member. Termination of the membership of any Member shall be recorded in the book together with the date on which such membership ceased. Such book shall be kept at the Association's principal office and shall be available for inspection by any Directors or Member of the Association during regular business hours.

E. Notice of Mortgage

Any Member who mortgages or otherwise encumbers the Condominium shall notify the Board of Directors in writing thereof, specifying the name and address of the mortgagee or other holder of the encumbrance. As used herein, "mortgage" includes a deed of trust and "mortgagee" includes a beneficiary under such deed of trust. The Association shall maintain a record of such mortgages. Upon the request of such a mortgagee or holder for notice of any unpaid assessments due the Association from any such Member, the Association shall honor the request. The Association may charge a reasonable fee for this service.

F. Nonliability of Members

No Member of this corporation shall be personally liable for the debts, liabilities, or obligations of the Association.

ARTICLE IV
MEETINGS OF MEMBERS

A. Place of Meetings

All meetings of the members, whether annual or special, shall be held either at the principal office of the Association or any other place within the County of Los Angeles which may be designated either by the Board of Directors pursuant to authority hereinafter granted to said Board or by the written consent of all the Members entitled to vote thereat, given either before or after the meeting and filed with the Secretary of the Association.

B. Annual Meeting

The annual meetings of Members shall be held on the first Saturday in February of each year at 10:00 a.m. At such meetings, directors shall be elected, reports of the affairs of the Association shall be considered, and any other business may be transacted which is within the powers of the Members.

Written notice of each annual meeting shall be given to each Member of record entitled to vote thereat, either personally or by mail or telegraph, charges prepaid, addressed to such Member at the address appearing on the books of the Association for the purpose of notice. The notice shall be sent not fewer than ten (10) nor more than

sixty (60) days before the meeting, and shall specify the place, the day, and the hour of the meeting. Unless the notice describes the general nature of the business or proposals to be acted upon, no action shall be taken at the meeting on any of the following matters unless they are specifically described in the notice of meeting:

1. A proposal to sell, lease, convey, exchange, transfer, or otherwise dispose of all or substantially all of the property or assets of the Association or of the Project except under Section 7911 of the California Corporations Code;
 2. A proposal to merge or consolidate with another corporation, domestic or foreign;
 3. A proposal to wind up and dissolve the Association;
 4. A proposal to adopt a plan of distribution of shares, securities, or any consideration other than money in the process of winding up; or
 5. A proposal to increase the assessments of the Members by action of the Members.
- Any other business or proposal may be acted upon at an annual meeting even though the general nature of such business or proposal shall not have been described or referred to in such notice.

C. Special Meetings

Special meetings of the Members, for any purposes whatsoever, may be called at any time by the President or by the Board of Directors or by not less than one-fifth (1/5th) of the Members. Notice of such special meetings shall be given in the same manner as for annual meetings and shall specify the general nature of the business to be transacted thereat.

D. Adjourned Meetings and Notice Thereof

Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned by the vote of a majority of the voting power of the Members present in person or by proxy to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the meeting was originally scheduled. In the absence of a quorum, no business may be transacted other than the adjournment and rescheduling of the meeting provided herein.

When any Members' meeting, either annual or special, is adjourned, it shall be necessary to give notice of the time and place of the adjourned meeting and of the business to be transacted thereat. The quorum necessary for the transaction of business at any meeting adjourned as provided herein shall be twenty-five (25) percent of the voting power of the Association.

E. Voting Rights

1. Each Member shall be entitled to vote in the manner set forth in Section 16 of the Declaration, provided that the member is in good standing at the time of the vote. "Good standing" is defined in Article III, C, 9 hereof. No single vote may be split into fractional votes. If a Condominium is owned by two or more persons, the vote attributable to that Condominium may be made by one of such persons designated by all

such persons to the Secretary of the Association prior to the meeting at which such vote is cast. Multiple unit owners shall have one vote for each unit owned.

2. Unless a record date for voting purposes be fixed, only those Members whose name appear in the membership of the Association on the day ten (10) days prior to any meeting of Members shall be entitled to vote at such meeting, subject, however, to the provisions of Section 702 of the California Corporations Code. Such vote may be by voice or by ballot, provided that all elections for directors must be by ballot upon demand made by a Member before the voting begins. In elections, the candidates receiving the highest number of votes (up to the number of directors to be elected) are elected.

3. Except as otherwise provided by law, by the Declaration, by the Articles, or by these Bylaws, every act or decision done or made by the vote of the Members entitled to exercise the majority of the voting power present in person or by proxy at a Members' meeting shall be regarded as an act or decision done or made with the approval of the Members. References herein to a "majority of the voting power" mean a majority of the votes entitled to be cast on a matter subject to a vote or written consent.

F. Quorum

The presence in person or by proxy of Members entitled to vote a majority of the voting power of the Association at any meeting shall constitute a quorum for the transaction of business. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

G. Consent of Absentees

The transactions at any meeting of Members, either annual or special, however called and noticed, shall be as valid and legal and of the same force and effect as though had at a meeting duly held after regular call and notice if a quorum be present either in person or by proxy, and if either before or after the meeting, each of the Members entitled to vote (not present in person or by proxy) signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the Association records and made a part of the minutes of the meeting.

H. Action Without Meeting

Any action under which any provision of the California Corporations Code may be taken at a meeting of the members may also be taken without a meeting if authorized in writing by all of the Members who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Association.

I. Proxies

Except as otherwise provided herein, every Member entitled to vote or execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by such Member or his duly authorized agent and filed with the Secretary of the Association, provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution. Any proxy duly executed shall be deemed not to have been revoked and to be in full force and effect, unless and until an instrument revoking said proxy, or a duly executed proxy bearing a later date, is filed with the Secretary of the Association. Notwithstanding that a valid proxy may be outstanding, the powers of the proxy holder shall be suspended if the Member executing such proxy shall be present at the meeting and elect to vote in person.

ARTICLE V
BOARD OF DIRECTORS

A. Power

The Board of Directors shall, subject to the limitations set forth in the Declarations, the Articles and these Bylaws, exercise the powers of the Association, control its property, conduct its affairs, and do any other act specified in the Declaration, the Articles or these Bylaws not inconsistent with law. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers:

1. To enforce applicable provisions of the Articles, these Bylaws, the Declaration and any duly adopted rules and regulations relating to the control and management of the Project and the Association Property;
2. To contract and pay for maintenance, gardening, utilities, materials and supplies relating to the Common Areas and the Association Property and to employ personnel reasonably necessary to carry out its duties, including attorneys and accountants where appropriate;
3. When appropriate, to pay for the cost of reconstruction of any portion or portions of the Common Areas or the Association Property damaged or destroyed which are to be rebuilt or repaired;
4. To enter into any Unit, the Association Property or the Common Areas when necessary in connection with maintenance or construction for which the Board is responsible;
5. To contract and pay premiums for fire, casualty, liability and other insurance, including indemnity and other bonds;

6. To pay taxes and special assessments which are or would become a lien on the Project, the Association Property or the Common Areas, provided that if the same are assessed to an Owner in connection with his ownership of a Condominium, it shall be such Owner's responsibility to pay the same; and

7. To delegate its powers.

B. Number of Directors

The authorized number of directors of the Association shall be nine (9) until changed by amendment of the Articles, or by a Bylaw amending this Article V.B. of these Bylaws duly adopted by a vote or written consent of the Members entitled to exercise a majority of the voting power of the Association, provided, however, that the vote or written consent of the Members holding more than eighty (80) percent of the voting power shall be necessary to reduce the authorized number of directors below five.

C. Qualifications

Each director shall be a member of the Association and not be delinquent in any financial obligation to the Association at the time of election and throughout the term of office. Directors shall be eligible for re-election without limitation of the number of terms they may serve provided that they continue to meet qualifications therefor.

D. Election and Term of Office

Qualified Directors shall be elected at each annual meeting of the Members. Directors shall be elected to fill expired terms and each Director shall be elected to a term of two (2) years.

In the event an annual meeting is not held or the Directors are not elected thereat, the Directors may be elected at any special meeting of Members held for that purpose. Notice of such special meetings shall be given in the same manner as for annual meetings and shall specify the general nature of the business to be transacted thereat.

E. Recall

A Board member may be recalled by a petition of members in good standing (as defined in Article III, C, 9, of the Bylaws) for malfeasance or failure to attend 3 consecutive Board meetings without prior excuse. The proponents obtaining the petition must be members in good standing. The petition must be signed by thirty (30) percent of the membership in good standing according to Article III, C, 9. The Board member must have been in office at least 90 days before a recall petition can be initiated. Notice of intention shall be served personally or by certified mail on the Director(s) (elected or appointed) sought to be recalled. Director(s) sought to be recalled may file an answer within seven (7) working days.

The Association Auditor at proponents' expense will verify the authenticity of names on the petition as to members in good standing and to determine whether the

percentage requirement has been met. It shall be the responsibility of the proponents to bring the certified petitions to the Board of Directors.

Within fourteen (14) days after the meeting at which the Board received the certified petition or sufficiency the Board shall issue an order stating that an election shall be held to determine whether or not the officer named in the petition shall be recalled. The election shall be held not less than thirty (30) nor more than sixty (60) days after the issuance of the order. If a majority of the eligible voters' votes on a recall proposal are "Yes" the office shall be deemed vacant.

F. Vacancies

A vacancy in the Board of Directors shall be deemed to exist in the case of the death, disqualification, resignation, or removal of any Director, or if the authorized number of Directors be increased, or if at any annual or special meeting of Members at which any Director is elected, the Members fail to elect the number of Directors to be voted for at that meeting.

Vacancies in the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, and each Director so elected shall hold office until a successor is elected at the next annual meeting of the Members. Any such successor shall be elected to complete the term of the vacancy. The Members may elect a Director at any time to fill any vacancy not filled by the Directors.

No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of his term of office.

In the event of an increase in the authorized number of Directors, the Board of Directors shall hold a special election within three (3) weeks of such increase for members to elect Directors to fill the vacancies.

G. Place of Meetings

Regular meetings of the Board of Directors shall be held at a place which has been designated from time to time by resolution of the Board, or in the absence of such designation, at the principal office of the Association.

Special meetings of the Board may be held either at a place so designated or at the principal office.

H. Organization Meeting

Immediately following each annual meeting of Members or any special meeting of Members held for the purpose of electing Directors, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of such meetings is hereby dispensed with.

I. Special Meetings

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President or by any two Directors.

Written notice of the time and place of special meetings of the Board of Directors shall be delivered personally to the Directors, or sent to each Director by mail, postage prepaid, addressed to him at his address as it is shown upon the records of the Association, not less than three (3) days prior to the meeting. In case such notice is delivered personally, it shall be so delivered at least twenty-four (24) hours prior to the time of the holding of the meeting.

J. Waiver of Notice

The transaction of any meeting of the Board of Directors, however called or noticed or wherever held, shall be as valid as though had a meeting duly held after regular call and notice if a quorum be present and if each of the Directors not present submits a written consent to holding such meeting or approves the minutes thereof. All such consents or approvals shall be filed with the Association records and made a part of the minutes of the meeting.

Any action required or permitted to be taken by the Board of Directors under the California Corporations Code may be taken without a meeting if all members of the Board of Directors shall individually or collectively consent in writing to such action. Such written vote shall be filed with the minutes of the proceedings of the Board of Directors. Such action by written vote shall have the same force and effect as a regular vote of such Directors.

K. Quorum

Except to adjourn a meeting as hereinafter provided, a majority of the Board of Directors without regard to the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business, provided however, such quorum shall in no case be less than one-third (1/3) of the authorized number of Directors, nor fewer than two (2) Directors. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number be required by law, these Bylaws, the Articles, or the Declaration.

L. Adjournment

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

M. Fees and Compensation

Directors shall receive no salary or fee for their services as Directors, nor shall they receive reimbursement for expenses of attendance. Nothing herein contained shall be construed to preclude any Director from service to the Association in any other capacity as agent, employee, or otherwise, and receiving compensation therefor.

ARTICLE VI
OFFICERS

A. Officers

The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer. One person may hold two or more offices, except the same person shall not act as President and as Secretary. All officers shall be Directors and shall be chosen annually by the Board of Directors. Each shall hold office until resignation, removal, or other disqualification, or until a successor shall be elected and qualified. An officer may be removed at any time by a resolution adopted by the Board. Each officer shall furnish a fidelity bond adequate to protect the Association in an amount to be determined by the Board of Directors and the cost thereof shall be paid by the Association.

B. President

The President shall be the chief executive officer of the Association, shall preside over all meetings of the Board and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and affairs of the Association.

C. Vice President

In the absence or disability of the President, the Vice President shall perform all of the duties of and shall be subject to all the restrictions upon the President. The Vice President shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

D. Secretary

The Secretary shall cause to be kept at the principal office a book of the minutes of all meetings of Directors and Members, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present or represented at Members' meetings, and the proceedings thereof.

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

E. Treasurer

The Treasurer shall cause to be kept and maintained adequate and correct accounts of the properties and transactions of the Association, including accounts of its assets, liabilities, receipts and disbursements.

F. Compensation

Officers of the Association shall serve without compensation.

ARTICLE VII
COMMITTEES

A. Establishment and Role

The Board of Directors of the Association may from time to time establish committees where necessary or appropriate in the conduct of the business of the Association. Committees will be established and disbanded by the Board as the Board sees fit. The Board may establish *Ad hoc* committees having either specified terms of duration or with specific tasks to be accomplished before dissolution of the *Ad hoc* committee. *Ad hoc* committees shall abide by all provisions of the Article. All committees shall consist of a minimum of three (3) members and shall meet at least once monthly. Committees are only advisory in function and will make recommendations to the Board, which body shall make all binding decisions for the Association. The Board at its discretion may also assign specific tasks to one or two persons to accomplish, however, these individuals shall not be accorded committee status and will serve solely at the discretion of the Board.

B. Membership

Committee membership shall be open to all owners or residents of the Village Green and committee members shall serve on a voluntary basis without compensation.

C. Duties

The duties of the committees shall be provided by the Board. The Board may direct the committee's work by the assignment of specific tasks and/or the establishment of general guidelines and/or referring specific requests to the committees for consideration. The Board shall provide whatever other rules and regulations with respect to the committees as the Board deems appropriate.

D. Liaisons

Every committee shall have a liaison appointed to it by the Board. Said liaisons shall themselves be members of the Board. The Board shall appoint liaisons prior to the first meeting of the committee after the annual meeting. For newly-constituted committees, the Board shall appoint the liaison concurrent with the establishment of the committee.

E. Chairpersons

1. Committee Chairpersons (Chairs) shall be appointed as follows:

a. At the first regular meeting of all committees following the annual election of the Board, the committee liaison shall initially chair the meeting. The liaison shall receive nominations for Chairperson from the eligible committee members present (i.e., Village Green residents or owners) in attendance at this first committee meeting. After nominations are closed, all committee members shall write their selection for Chair on a piece of paper and turn their ballots over to the committee liaison. The liaison shall announce the ranking of the nominees. The committee liaison shall then delegate conducting the committee meeting to the current chair, who shall have prepared the meeting agenda. The nominees and the tally of the votes for each shall be brought to the Board of Directors who shall designate the committee Chair. The Board at its sole discretion shall appoint the committee's Chairs. The Board is not bound by either those persons nominated by the respective committees or by the advisory vote of the committee members.

b. For newly-constituted committees, the Board shall appoint the Chair concurrent with the establishment of the committee.

c. At any time, and at its sole discretion the Board may remove a committee Chair and appoint another should the Board so desire.

d. Committee Chairs shall assume their duties at the first committee meeting following their appointment by the Board.

e. Co-Chairpersons shall be permitted.

F. Chairperson Duties

The responsibilities of committee Chairpersons include but are not limited to:

1. Conducting regular monthly meetings and designating an alternate Chair should they not be able to attend;
2. Serving as the communication link between the Board and the committee;
3. Reporting directly, or through a designee, to the Board at every monthly Board meeting or at special meetings if so requested by the Board;
4. Communicating with the manager through the Board unless otherwise directed by the Board;
5. Directing the work of the committee as directed by the Board.

G. Membership and Voting

1. A list of committee members, consisting of members who have attended at least six meetings during the previous year, will be submitted to the Board within one month of the committee's first meeting following the annual Board election. Members on this list will have the right to vote in committee.

2. Individuals who attend three consecutive committee meetings will be enrolled as new members, and will have the right to vote in committee.

3. To establish a new committee, a list of members and a list of goals and objectives need to be submitted for Board approval.

4. Persons appointed to committee by the Board may vote as of the first committee meeting.

5. Board members may not vote at committee meetings.

H. Secretaries/Recordkeeping

1. All committees shall have a secretary, who shall be elected by committee members at the first meeting to follow the annual Board election.

2. Secretaries shall serve for one year. Should vacancies occur during the year, a replacement will be elected at the monthly meeting following the occurrence of the vacancy.

3. Secretaries will take written minutes of committee meetings, and shall submit these to the office within six weeks of the meeting date.

4. An attendance roster will be circulated at all committee meetings. The rosters will be submitted along with the minutes.

ARTICLE VIII
MISCELLANEOUS

A. Record Date

The Board of Directors may fix a time in the future as a record date for the determination of the Members entitled to notice of and to vote at any meeting of Members or entitled to receive any allotment of rights. The record date so fixed shall be not more than sixty (60) nor less than ten (10) days prior to the date of the meeting or event for the purposes of which it is fixed. When a record date is so fixed, only Members of record on that date are entitled to notice of and to vote at the meeting or to receive the allotment of rights.

B. Inspection of Corporate Records

The books of account, which shall mean accounting journals and general ledgers and minutes of proceedings of the Members and the Board of Directors, and a certified copy of these Bylaws shall be open to inspection upon the written demand of any Member at any reasonable time and shall be exhibited at a Members' meeting upon the demand of ten percent (10%) of the voting power represented at the meeting. Such inspection may be made in person or by an agent or attorney, and shall include the right to make extracts. Demands for inspection other than at a Members' meeting shall be made in writing to the President or Secretary of the Association.

C. Checks and Other Evidences of Indebtedness

All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

D. Annual Financial Review

An annual financial review shall be prepared by the Board of Directors within sixty (60) days after the end of the Association's fiscal year and shall be sent to the Members within thirty (30) days after completion. A financial review shall be defined as representing, at a minimum, a Comparative Balance Sheet prepared by an independent Certified Public Accountant.

E. Authority to Contract for or Bind Corporation

The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or agent to enter into any contracts or execute any instruments in the name and on behalf of the Association. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement, to pledge its credit or to render it liable for any purpose whatsoever.

F. Indemnification of Directors, Officers, and Employees

The Board of Directors may authorize the Association to indemnify any person made or threatened with being made a party to any action or proceeding, civil or criminal (other than one by or in the right of the Association), by reason of the fact that the person is or was a Director, officer, agent or employee of the Association, against any and all liability, including but without limitation, for judgments, fines, penalties, amounts paid in settlement and reasonable expenses, including attorneys' fees, necessarily incurred in connection with such action or proceeding or any appeal relating thereto.

Such indemnification shall be made only after authorization by the Board of Directors and upon a finding by the Board of Directors that such director, officer, agent or employee acted in good faith within what was reasonably believed to be the scope of

employment or authority, for a purpose which was reasonably believed to be in the best interests of the Association or its Members. The termination of any such action or proceeding by judgment, settlement or conviction shall not create a presumption that such director, officer, agent or employee did not act good faith within what was reasonably believed to be the scope of employment or authority for a purpose which was reasonably believed to be in the best interests of the Association or its Members.

Expenses, including attorneys' fees, in connection with any such action or proceeding or threatened action or proceeding may be paid by the Association upon authorization of the Board of Directors as hereinabove provided prior to final disposition of any such action or proceeding as such expenses are incurred.

The provisions of this Article VIII, F shall apply to the estate, executor, administrator, heirs, legatees or devisees of a director, officer, agent or employee and the term "person" as used in this Article VIII, F shall include the estate, executor, administrator, heirs, legatees or devisees of such person. The foregoing rights of indemnification shall be in addition to any other rights to which any director, officer or employee may be entitled as a matter of law.

ARTICLE IX ADOPTION, AMENDMENT, AND REPEAL OF BYLAWS

A. Powers of Members

Subject only to the limitations set forth in this paragraph, the Members may adopt new bylaws, amend existing bylaws, and repeal existing bylaws. In order for the members to amend or repeal an existing bylaw, the affirmative vote or written assent of a majority of the Members in good standing is required, unless the particular bylaw in question requires the vote or written assent of a greater number of Members, in which case the terms of the particular bylaw shall control. In order for the Members to adopt a new bylaw, the affirmative vote or written assent of a majority of the members in good standing is required.

The members shall not adopt any new bylaw which is contrary to or inconsistent with the Declaration, or the Articles, and the Members shall not amend any existing bylaw in a manner which is contrary to or inconsistent with the Declaration or the Articles.

B. Powers of the Directors

Subject only to the limitations set forth in this paragraph, the directors may adopt new bylaws, amend existing bylaws, and repeal existing bylaws. The Board may not change the authorized number of directors of the Association, whether by adopting a new bylaw, or amending or repealing an existing bylaw. Further, the Board may not amend or repeal any existing bylaw which, by its terms, empowers the members to act by means of affirmative vote or written assent.

The Board shall not adopt any new bylaw which is contrary to or inconsistent with the Declaration, or the Articles, and the directors shall not amend any existing bylaw in a manner which is contrary to or inconsistent with the Declaration or the Articles.

ARTICLE X
INCONSISTENCIES BETWEEN BYLAWS AND DECLARATION OR ARTICLES

In the event that any bylaw is inconsistent with any provision of the Declaration, the provisions of the Declaration shall control.

In the event that any bylaw is inconsistent with any provision of the Articles, the provisions of the Articles shall control.