

2nd Draft 4-5-19

**AMENDED AND RESTATED BYLAWS
OF
HIDDENBROOKE PROPERTY OWNERS ASSOCIATION, INC.**

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AMENDED AND RESTATED BYLAWS
OF
HIDDENBROOKE PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE 1

NAME AND LOCATION

The name of the corporation is HIDDENBROOKE PROPERTY OWNERS ASSOCIATION, INC., which is hereinafter referred to as the "Association." The principal office of the Association shall be located in the City of Vallejo, Solano County, California or such other place reasonably convenient to the Development as the Board of Directors may from time to time establish.

ARTICLE 2

DEFINITIONS

Any capitalized term that is not defined below shall have the meaning set forth in **Article 1 of the Declaration**.

2.1 Articles. "Articles" shall mean the Restated Articles of Incorporation of Hiddenbrooke Property Owners Association, Inc., as they may be amended from time to time, and as filed with the Office of the Secretary of State of California.

2.2 Assessments. "Assessments" shall mean any or all of the following: Annual Assessments, Special Assessments, and Reimbursement Assessments, each as is defined in the Declaration.

2.3 Association. "Association" shall mean the Hiddenbrooke Property Owners Association, Inc., its successors and assigns.

2.4 Board of Directors. "Board of Directors" or "Board" shall mean the governing body of the Association.

2.5 Bylaws. "Bylaws" shall mean these Amended and Restated Bylaws of Hiddenbrooke Property Owners Association, Inc. and any duly adopted amendments thereto.

2.6 Corporations Code. “*Corporations Code*” shall mean the California Corporations Code as amended from time to time.

2.7 Declaration. “Declaration” shall mean the Second Amended and Restated Master Declaration of Covenants, Conditions and Restrictions of Hiddenbrooke Property Owners Association, recorded in the Office of the County Recorder of Solano County, California, and any amendments thereto. The Declaration may also be referred to as the “CC&Rs.”

2.8 Development. “Development” shall mean all of the real property comprising the Hiddenbrooke development, as described in the Declaration.

2.9 Governing Documents. “Governing Documents” shall mean the Articles, Bylaws, Declaration, and Rules adopted by the Board and distributed to the Members.

2.10 Lot. “Lot” shall mean any plot of land shown upon any recorded Subdivision Map of the Development upon which a Residence has been constructed. There are currently 1,221 Lots in the Development.

2.11 Majority of a Quorum. “Majority of a Quorum” shall mean a majority of the votes cast in any lawful vote or election by the Members in which the number of votes cast equals or exceeds the number required to establish a quorum.

2.12 Member. “Member” shall mean an Owner.

2.13 Member in Good Standing. “Member in Good Standing” shall mean a Member of the Association who: is current in the payment of all Assessments, fines, penalties, and other charges imposed in accordance with the Governing Documents; is otherwise free from sanctions imposed by the Association; and is in compliance with all provisions of the Governing Documents.

2.14 Owner. “Owner” shall mean the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Development.

2.15 Resident. “Resident” shall mean any person who resides on a Lot within the Development whether or not such person is an Owner as defined in **Section 2.16**, above.

2.16 Rules. “Rules” shall mean the rules, regulations and policies governing the use, occupancy, management, administration and operation of the Development or any part thereof as adopted and published by the Board of Directors from time to time.

2.17 Total Voting Power. “Total Voting Power” shall mean the total number of votes of all Members entitled to vote at a particular time, calculated on the basis of one vote for each Lot, excluding any Lot as to which an Owner is not then a Member in Good Standing.

ARTICLE 3

MEMBERSHIP

3.1 Membership. Every Owner of a Lot within the Development shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot, and shall not be transferred, encumbered, pledged, alienated or hypothecated in any way, except upon the transfer or encumbrance of the Lot to which it is appurtenant. Any attempt to make a prohibited transfer is void. Upon any transfer of title to a Lot, including a transfer upon the death of an Owner, membership in the Association shall pass automatically to the transferee.

3.2 Determination of Good Standing Status. A Member may only be determined “Not in Good Standing” after a duly noticed hearing before the Board. A Member’s status shall remain as “Not in Good Standing” until determination by the Board to rescind that status at a hearing requested by the subject Member or at the Board’s discretion.

3.3 Delegation of Rights of Use and Enjoyment. Any Member may delegate his or her rights of use and enjoyment, including easements, in the Development as provided in the Declaration.

ARTICLE 4

MEMBER MEETINGS AND VOTING

4.1 Annual Meeting. The annual meeting of the Members shall be held annually during the month of June, on a date and at a time and place to be designated by the Board of Directors, upon proper written notice to all Members.

4.2 Special Meetings. Special meetings of the Members, for any lawful purpose, may be called at any time by the President or by a majority of the Board of Directors. In addition, special meetings of Members for any lawful purpose may be called by written request of five percent (5%) or more of the Members or otherwise according to law.

4.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by or at the direction of the Secretary or other person authorized to call a meeting. Written notice shall be mailed first class, postage prepaid, or

otherwise delivered at least ten (10) days but not more than ninety (90) days before such meeting; provided, however, if the notice is given by mail, and the notice is not mailed by first class, registered, or certified mail, that notice shall be given not less than twenty (20) days before the meeting. In the case of a special meeting called pursuant to a written request of Members, notice of such special meeting shall be mailed or otherwise delivered in any manner permitted by law within twenty (20) days after receipt of such written request by the Board, and the date of such special meeting shall be set by the Board and shall be not sooner than thirty-five (35) days nor later than ninety (90) days after the date of the Board's receipt of such written request. Notice of any meetings of the Members may be given by electronic transmission or other method of delivery subject to the requirements set forth in *Corporations Code* section 7511. Notice of any meeting of Members shall specify the date, hour, and place of the meeting, and the general nature of those matters which the Board intends to present for action by the Members.

4.4 Conduct of Meetings. All meetings of Members shall be conducted in accordance with a recognized system of parliamentary procedure or such parliamentary procedures as the Association may adopt. A reasonable time limit for all Members to speak at a meeting of the Members shall be established by the Board of Directors.

4.5 Place of Meetings. Annual and special meetings shall be held at a location within the Development or a convenient place outside the Development located as close as reasonably practicable to the Development.

4.6 Voting. Members in Good Standing shall be entitled to cast one (1) vote for each Lot owned or, in the event of a vote to elect Directors, one (1) vote for each open position on the Board, but not more than one (1) vote for each candidate. In the event more than one (1) person owns a given Lot, the vote for such Lot shall be exercised as the Owners among themselves shall determine, but in no event shall more than one (1) ballot be returned with respect to any Lot. If the joint Owners of a Lot are unable to agree among themselves as to how their vote or votes are to be cast, they shall lose their right to vote on the matter in question. If any Owner casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that such Owner was acting with the authority and consent of the other Owners of that Lot. The vote at any meeting of Members may be by a show of hands or by ballot. The ballot and any related material may be sent by electronic transmission by the Association and responses may be returned to the Association by electronic transmission to the Association in accordance with *Corporations Code* section 7513.

4.7 Record Date for Voting. The Board of Directors may fix a date not more than sixty (60) days before the date of any mailing or delivery of ballots or meeting at which a vote of the Members shall be conducted as the record date for

determining Members entitled to vote. Only Members in Good Standing as of the record date shall be entitled to vote. If no record date for voting is set by the Board, Members in Good Standing on the day of the mailing or delivery of ballots or meeting of the Members during which a vote of the Members shall be conducted shall be entitled to vote.

4.8 Quorum Requirements. The following quorum requirements must be satisfied in order to take valid action at any meeting of the Members or by written ballot:

4.8.1 Quorum for Election of Directors and Vote Regarding Excess Income. There shall be no minimum quorum requirement for the election of Directors and/or the vote regarding excess income pursuant to IRS Revenue Ruling 70-604 (or any successor Ruling). With respect to the election of Directors, the number of written ballots received by the deadline set forth in the ballot and/or the voting instructions shall constitute the quorum for such election, notwithstanding any other quorum requirements set forth in these Bylaws or the Declaration. With respect to the vote of the Members regarding excess income pursuant to IRS Revenue Ruling 70-604 (or any successor Ruling), the number of ballots received by the deadline set forth in the ballot and/or the voting materials or the number of Members in attendance at the meeting at which the vote is conducted shall constitute the quorum for such vote, notwithstanding any other quorum requirements set forth in these Bylaws or the Declaration.

4.8.2 Quorum for Removal of Directors. With respect to written ballots mailed to Members for the purpose of removing a Director or Directors, the quorum requirement for valid action on the proposal shall be a majority (i.e., more than fifty percent (50%)) of the Total Voting Power of the Association.

4.8.3 Quorum for Annual Meeting of Members. There shall be no minimum quorum requirement for the Annual Meeting of the Members unless a vote of the Members is required, in which case the quorum requirements set forth elsewhere in this **Section 4.8** shall apply.

4.8.4 Quorum for Votes on Amendments to Articles of Incorporation, Bylaws and/or Declaration. With respect to written ballots mailed to Members for the purpose of voting on amendments to the Articles of Incorporation, Bylaws and/or Declaration, the quorum requirement for valid action on the proposal shall be at least twenty-five percent (25%) of the Total Voting Power of the Association. If such quorum is not present or represented at any meeting in person and/or by ballot and/or by proxy, the Members otherwise entitled to vote at that meeting shall have power to adjourn the meeting from time to time, to be reconvened as soon as immediately following the originally-noticed meeting and not more than thirty (30) days from the date of the adjourned meeting, without notice other than announcement at the meeting, until a quorum shall be present or

represented. In the absence of a quorum, no business other than adjournment may be transacted. At the continuation of any meeting so adjourned, the presence in person and/or by ballot, and/or by proxy of Members entitled to cast at least fifteen percent (15%) of the votes of the Total Voting Power shall constitute a quorum for the purpose of conducting said meeting or concluding a vote of the Members.

4.8.5 Quorum for Valid Action on Other Matters. With respect to a membership meeting called or written ballot distributed for any other purpose, the quorum requirement shall be at least fifteen percent (15%) of the Members eligible to vote and represented in person at the meeting or by casting a written ballot.

4.9 Approval of the Members. If a quorum is achieved in person by ballot, and/or by proxy, the affirmative vote of a majority of the Members so present and voting on any matter (a Majority of a Quorum) shall constitute the act of the Members, unless the approval of a greater number or proportion of Members is required by any provision of the law or the Governing Documents.

4.10 Proxies. The use of proxies in connection with the election of Directors is expressly prohibited. Subject to Election Rules adopted by the Association, in all other votes of the Members and/or meetings of the Members, each Member may vote in person, by ballot, or by proxy and the Association shall have the option, but shall not be obligated, to distribute proxies.

4.11 Manner of Casting Votes.

4.11.1 Voting at Membership Meetings. Voting at any membership meeting may be by voice or by ballot distributed to Members at the meeting for purposes of conducting a vote of the Members at such meeting; provided, however, that any election of directors shall be conducted only by written ballot in accordance with *Corporations Code* section 7513 and **Section 4.12.1**, below.

4.11.2 Voting by Written Ballot. In addition to voting in person or by proxy at a meeting, membership votes may be conducted with respect to any issue by written ballot in accordance with *Corporations Code* section 7513 and **Section 4.12**, below.

4.12 Voting by Ballot (*Corporations Code* section 7513).

4.12.1 Ballot Requirements. Any action which may be taken at a regular or special meeting may be taken without a meeting of Members if the Association distributes a ballot to every Member entitled to vote and complies with the requirements of *Corporations Code* section 7513. Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the

Association. The ballot and any related material may be sent by electronic transmission by the Association and responses may be returned to the Association by electronic transmission to the Association in accordance with *Corporations Code* section 7513.

4.12.2 Solicitation Rules. The ballot solicitation shall identify both the number of responses needed to meet the quorum requirement and the percentage and/or number of approvals necessary to pass the measure submitted and shall specify the time by which the ballot must be received by the Association in order to be counted.

ARTICLE 5

BOARD OF DIRECTORS; ELECTION; TERM OF OFFICE

5.1 Number of Directors. The affairs of this Association shall be conducted by or under the direction of a Board of seven (7) Directors.

5.2 Qualifications of Directors and Candidates. Directors and candidates for election to the Board (i) must be Members in Good Standing, or, in the case of a Member in Good Standing that is an entity, an officer, director, principal, or authorized representative of the entity; (ii) may not have been declared of unsound mind by a final order of court; and (iii) may not have been convicted of a felony. Co-Owners of one (1) or more Lots may not serve on the Board at the same time.

5.3 Nomination. Nominations of candidates to the Board of Directors may be made by a nominating committee or by self-nomination. All nominations shall be conducted in accordance with Rules adopted by the Board. The Board may recruit qualified candidates and/or appoint a Nominating Committee prior to any election of Directors. The Nominating Committee, if one is appointed, shall consist of a chairperson, who shall be a Director, and two or more Members of the Association. The Nominating Committee may make as many nominations for election to the Board as it deems appropriate.

Any Member who satisfies the qualifications set forth in these Bylaws may place his or her name in nomination for election to the Board of Directors by giving written notice to the Association's managing agent and/or the Board. Notice of self-nomination must be received prior to the published deadline for nominations. Nominations may not be made from the floor at any meeting.

5.4 Election. Directors shall be elected in the month of June annually by written ballot in accordance with *Corporations Code* section 7513 and Rules adopted pursuant thereto. The Members in Good Standing may cast, with respect to each position on the Board to be filled, one vote for each Lot owned but not

more than one vote per candidate. The persons receiving the largest number of votes shall be elected. Cumulative voting is prohibited. Additionally, write-in candidates shall not be permitted. The method for voting for Directors shall be as set forth in Section 4.6 of these Bylaws.

5.5 Election by Acclamation. If, as of the published deadline for nominations, the number of qualified candidates nominated does not exceed the number of Directors to be elected, then the individuals nominated and qualified to be elected may be declared elected on a date determined by the Board and the Inspector(s) of Election, in which case written notice of the election results shall be given to the Members.

5.6 Term of Office. The Members shall, in successive years, elect four (4) Directors, and three (3) Directors, respectively, for terms of two (2) years each. Each Director shall serve until the expiration of his or her term and thereafter until a successor is elected, or until the earlier disqualification, death, resignation or removal of such Director.

5.7 Removal. Any Director may be removed from the Board, with or without cause, by the affirmative vote of a Majority of a Quorum of the Members. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office unless the reduction or amendment also provides for the removal of one or more specified Directors.

5.8 Disqualification of Directors. A Director may be deemed ineligible and disqualified from serving on the Board and his or her seat declared vacant under the following circumstances: (i) the person fails within sixty (60) days after receiving notice of election to accept such office, either in writing or by attending a meeting of the Board of Directors as a Director; (ii) the person is absent from three (3) consecutive regular meetings of the Board; and/or (iii) the person is more than sixty (60) days delinquent in the payment of Assessments, fines, penalties, or other charges imposed by the Association. A Director may also be disqualified and removed from the Board upon a finding of the Board, following a duly noticed hearing, that the Director is not a Member in Good Standing. A Director shall be deemed ineligible and disqualified from serving on the Board under the following circumstances: (i) the person has been declared to be of unsound mind by a final order of court; or (ii) the person has been convicted of a felony. A Director disqualified under any circumstances set forth in this Section 5.8 shall forfeit his or her seat on the Board. The remaining Director(s) shall appoint a successor as provided herein.

5.9 Vacancies. A vacancy shall exist on the Board of Directors in the event of the disqualification, death, resignation or removal of any Director by the Members, or if the authorized number of Directors is increased, or if the Members

fail to elect the full authorized number of Directors. The Board of Directors, by a majority vote of the Directors who meet all of the qualifications for Directors and candidates as set forth in Section 5.2, above, may declare vacant the office of any Director who fails or ceases to meet any required qualification that was in effect at the beginning of that Director's current term of office. As provided in Section 3.2 of these Bylaws, a Member may only be determined "Not in Good Standing" after a duly noticed hearing before the Board.

5.10 Filling Vacancies. Any vacancy on the Board created by the removal of a Director by the Members shall be filled by a vote of the Members. Any other vacancy on the Board of Directors may be filled by vote of the Board of Directors, or if the number of Directors then in office is less than a quorum, by the vote of a majority of the remaining Directors at a meeting of the Board, or by unanimous written consent of the Directors then in office, or by a sole remaining Director. A Director elected or appointed to fill a vacancy shall serve the remainder of the term of office of the Director whom he or she replaces. The Members may elect a Director at any time to fill any vacancy not filled by the Board. If the Board of Directors accepts the resignation of a Director tendered to take effect at a future time, the Board or, if the Board fails to act, the Members may elect a successor to take office when the resignation becomes effective.

5.11 Compensation. No Director shall receive compensation for any service he or she may render to the Association as a Director. However, upon approval by the Board, any Director may be reimbursed for his or her expenses actually incurred in the performance of his or her duties.

ARTICLE 6

MEETINGS OF DIRECTORS

6.1 Organizational Meetings. Within thirty (30) days after the election of Directors, the Board of Directors shall hold a meeting for the purpose of organization, appointment of officers, and transaction of other business, as appropriate.

6.2 Regular Meetings. Regular meetings of the Board of Directors shall be held at least bi-monthly, at a place within the Development or a convenient place outside the Development, and on a date and at a time as fixed from time to time by resolution of the Board or, upon proper notice which conforms to the provisions of Sections 6.4 and 6.5 of these Bylaws, at another place, date and time as set forth in such notice. In the event the business of the Association does not reasonably justify bi-monthly meetings, regular meetings of the Board shall be held at such intervals as the Board may determine, but not less frequently than quarterly.

6.3 Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association or by any two (2) Directors.

6.4 Notice to Directors. Except as otherwise provided in Section 6.2, above, notice of each meeting of the Board shall be communicated to the Directors not less than four (4) days prior to a regular or special meeting and not less than two (2) days prior to a meeting that will be held solely in executive session, provided that shorter notice may be given in the case of an emergency, and provided further that notice of a meeting need not be given to any Director who signed a waiver of notice or a written consent to holding the meeting, whether before or after the meeting. Notice delivered personally or by telephone shall include notice given by a voice messaging system or other system or technology designed to record and communicate messages, telegraph, electronic mail, or other electronic means. The notice need not specify the purpose of any regular or special meeting of the Board.

6.5 Teleconference and Remote Participation. All Board meetings may be conducted by teleconference, i.e., where a majority of the members of the Board, in different locations, are connected by electronic means, through audio or video or both. A Board meeting held by teleconference shall be conducted in a manner that complies with applicable law, including, without limitation, *Corporations Code* section 7211.

6.6 Restrictions on Board Action Outside of Meeting; Board Meetings via Email. The Board of Directors shall not take action on any item of business outside of a Board meeting. Notwithstanding *Corporations Code* section 7211, the Board shall not conduct a meeting via a series of electronic transmissions, including, but not limited to, electronic mail, except as a method of conducting an emergency meeting and then only if: (i) all members of the Board, individually or collectively, consent in writing to that action, and (ii) the written consent or consents are filed with the minutes of the meeting of the Board. Written consent to take such emergency action may be transmitted electronically.

6.7 Quorum. A majority of the Directors then in office, but not fewer than three (3), 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 meeting at which a quorum is present shall be regarded as the act of the Board. Directors may not vote by proxy or be counted toward this quorum requirement by proxy.

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

6.9 Minutes of Meetings of Directors. Within thirty (30) days after the date of any meeting of the Board, the Board shall make available to the Members

either: (i) the minutes of that meeting as adopted by the Board; (ii) those minutes as proposed for adoption which shall be marked to indicate draft status; or (iii) a summary of the minutes. Any matter discussed in an executive session shall be generally noted in the minutes of the immediately following Board meeting that is open to the entire membership. Copies of the minutes, proposed minutes, or summary of minutes of any Board meeting (other than an executive session) shall be provided to any Member of the Association upon request and upon reimbursement of the Association's costs in providing such copies. Members of the Association shall be notified annually in writing of their right to obtain copies of the minutes of meetings of the Board and how and where those minutes may be obtained.

ARTICLE 7

POWERS OF THE BOARD OF DIRECTORS AND THE ASSOCIATION

7.1 Powers of the Board. The Board shall have the power to:

7.1.1 Rules. Adopt, publish, amend, repeal and enforce Rules governing the administration, management, operation, use and occupancy of the Development.

7.1.2 Contracts. Authorize any officer or officers to enter into any contract in the name of, or on behalf of, the Association. Unless expressly authorized by resolution of the Board, no officer shall have any power or authority to bind the Association or to render the Association liable for any purpose or on any account.

7.1.3 Collect Assessments. As addressed in the Declaration, the Board shall have the power to collect Assessments levied by the Association by foreclosing the lien against any property for which Assessments are not paid as required by the Declaration and/or by bringing an action at law against the Owner personally obligated to pay the same.

7.1.4 Sanctions; Hearings; Continuing Violations. Establish and impose monetary penalties (fines) for the infraction of any provision of the Governing Documents, in accordance with a schedule of monetary penalties adopted by the Board and distributed to all Members, and suspend the voting or other membership rights and privileges of a Member during any period in which such Member shall be in default in the payment of any Assessment, fine or charge levied by the Association, and/or for any infraction of the Governing Documents.

When the Board is to meet to consider or impose discipline upon a Member, the Board shall provide written notice to the affected Member, by personal delivery or first-class mail, at least fifteen (15) days prior to the meeting.

The notice shall state the reasons for the penalty or suspension and shall provide the opportunity for a hearing by the Board of Directors, orally or in writing, at least five (5) days before the effective date of the proposed sanction. The Board shall meet in executive session at the Board's discretion and/or if requested by the Member being disciplined. 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 has fulfilled the foregoing requirements.

In the case of a continuing violation, such as an uncorrected architectural violation, where a Member fails to cease or remedy a violation after notice from the Board to do so, the Board may deem such continuing violation to constitute two or more separate and distinct violations of the same Governing Document provision and may impose a separate sanction therefor more than once during any thirty (30) day period. It is the intent and purpose of this provision to authorize and empower the Board in exercise of its discretion to impose a fine or other sanction against a Member for a continuing violation of the same Governing Document provision as often as once during each succeeding thirty (30) day period, provided that for each sanction imposed, the Board shall provide the affected Owner with notice and an opportunity for hearing prior to the effective date of such sanction. The scope of each hearing may be limited to facts and circumstances occurring subsequent to the previous hearing relating to the subject continuing violation.

7.1.5 Manager. Engage the services of a manager or management company as either an employee or an independent contractor, and engage such other employees or independent contractors as the Board may deem necessary, and to prescribe their duties.

7.1.6 Professional Advisors. Consult with, seek the advice of, and reasonably rely on the advice of attorneys, accountants, and other professionals in carrying out its authority and responsibility under the Governing Documents and the law, and to pay for such professional services.

7.1.7 Investment of Reserve Funds. Invest Association reserve funds in prudent investments subject to the provisions of **Section 8.7** of these Bylaws.

7.1.8 Right of Entry. Enter a Lot, and Exclusive Use Common Area, when necessary, in the Board's sole discretion, as set forth in Article 6 of the Declaration.

7.1.9 Property Taxes. Pay all real property taxes and assessments levied upon any property within the Development to the extent not separately

assessed to the Owners. Provided that any such taxes are paid or that a bond insuring the payment is posted, such taxes and assessments may be contested or compromised by the Association prior to the sale or other disposition of any property to satisfy the payment of such taxes.

7.1.10 Association Property. Subject to the provisions of the Declaration, acquire, own, hold, convey, transfer, dedicate or otherwise dispose of real or personal property consistent with the purposes and powers of the Association and the management, administration and operation of the Development or the business and affairs of the Association.

7.1.11 Bank Accounts. Open bank accounts and subject to the limitations set forth in Section 11.2, below, designate signatories upon such bank accounts.

7.1.12 Borrow Money; Pledge Assets as Security for Loans. Borrow money on behalf of the Association and pledge assets of the Association as security for loans.

7.1.13 Other Powers and Duties. Exercise for the Association all powers, duties, and authority vested in or delegated to the Association and not reserved to the Members by other provisions of the Governing Documents, and undertake any action on behalf of the Association as the Board shall deem necessary or proper in furtherance of the purposes and powers of the Association and/or the interests of the Association and its Members.

7.2 Limitation on Powers. The powers of the Board shall be subject to the limitations set forth in the Declaration.

7.3 Indemnification. The Association shall have the power to, except with respect to intentional, wanton, or grossly negligent acts, indemnify and hold harmless, to the maximum extent permitted by California law, each person who is or at any time was a Director, officer, Inspector of Election, employee, or agent of the Association or member of any committee appointed by the Board from and against any and all claims, liabilities, expenses, judgments, fines, settlements, actually and reasonably incurred by any such person, and to which any such person shall become subject by reason of his or her being a Director, officer, inspector of election, employee, or agent of the Association or member of any committee appointed by the Board.

ARTICLE 8

DUTIES OF THE BOARD OF DIRECTORS

8.1 Records and Minutes. The Board shall cause to be kept a complete record of all its acts and the corporate affairs, including an accurate and current record of the Members setting forth their names and addresses, adequate and correct books and records of account, and minutes of the proceedings of the Members, the Board, committees of the Board, and any other committee appointed by the Board having decision-making authority.

8.2 Supervision. The Board shall supervise all officers, agents, and employees, if any, of the Association, and see that their duties are properly performed.

8.3 Insurance. Procure and maintain insurance with such coverage and in such amounts as required by law or the Declaration, and any other insurance as the Board deems necessary or prudent, which may include but is not necessarily limited to liability insurance, earthquake insurance, workers' compensation insurance, fidelity insurance or bond, and officers' and directors' insurance. The premiums for any insurance obtained by the Association shall be a common expense of the Association and shall be paid for out of the operating fund of the Association.

8.4 Enforcement of Governing Documents. The Board shall enforce the provisions of the Governing Documents, as more particularly set forth in the Declaration, and perform all acts required of the Board under the Governing Documents or required by law.

8.5 Notice and Collection of Assessments. As more fully provided in the Declaration, the Board, on behalf of the Association, shall: (i) send written notice to each Owner in advance of each fiscal year of the Annual Assessment levied against his or her Lot for that fiscal year; and (ii) collect Assessments levied by the Association by foreclosing the lien against any property for which Assessments are not paid as required in the Declaration and/or by bringing an action at law against the Owner personally obligated to pay the same.

8.6 Certificate of Payment of Assessments. The Board shall issue, or cause an appropriate officer to issue, upon demand by any proper person, a certificate setting forth whether any Assessment has been paid. A reasonable charge may be imposed by the Board for the issuance of such certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment.

8.7 Annual and Periodic Notices and Disclosures. Distribute to the Members, other persons and/or entities all notices and disclosures when and as required by law, including, without limitation, the following: (i) annual notice of the Member's right to receive a financial report as required by *Corporations Code* section 8321(a), and (ii) if applicable, an annual statement to the Members and Directors disclosing certain transactions or indemnification as required by *Corporations Code* section 8322(a). Any notice or disclosure that is required by law to be provided by the Association or the Board to the Members or to any other person or entity may be delivered in any manner permitted by law for such notice or disclosure.

8.8 Results of Member Votes. For a period of sixty (60) days following the conclusion of an annual or special meeting of Members, upon written request from a Member, promptly inform the Member of the result of any particular vote of the Members taken at the meeting, including the number of memberships voting, 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, report the number of memberships cast for each nominee for Director.

ARTICLE 9

OFFICERS AND THEIR DUTIES

9.1 Enumeration of Officers. The officers of the Association shall be a President, Vice President, Secretary, and a Treasurer, who shall at all times be members of the Board of Directors, and such other officers as the Board of Directors may, from time to time, appoint by resolution.

9.2 Appointment of Officers. The appointment of officers by the Board shall take place at the first meeting of the Board of Directors following the annual election of Directors.

9.3 Term. The officers of the Association shall be appointed annually by the Board, and each shall hold office for one (1) year, unless he or she shall sooner resign, be removed by the Board, or otherwise be disqualified to serve.

9.4 Special Appointments. 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.

9.5 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 the 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.

9.6 Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces, subject to the Board's right to remove an officer.

9.7 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 9.4 of this Article.

9.8 President. The President shall be the chief executive officer of the Association and shall, subject to control of the Board of Directors, have general supervision, direction and control of the affairs and the other officers and the employees and agents of the Association. The President shall preside at all meetings of the Members and at all meetings of the Board of Directors, shall have the general powers and duties of management usually vested in the office of the President of an Association, and shall have such other powers and duties as may be prescribed by the Board of Directors and the Bylaws subject, however, to any limitations contained in the Declaration.

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

9.10 Secretary. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board of Directors may prescribe, a book of minutes of all meetings of Directors, Members, and committees of the Board setting forth the time and place of holding of such meetings; whether regular or special, and if special, how authorized; the notice thereof given; the names of those present at Directors' or committee meetings; the number of memberships and votes present or represented at Members' meetings; and all the proceedings thereof. The Secretary shall give, or cause to be given, notice of all meetings of the Members and of the Board of Directors required by the Bylaws or by law to be given and shall maintain a proper record of the giving of such notice, and shall keep the books, records and documents of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

9.11 Treasurer. The Treasurer shall be responsible for the receipt and deposit in appropriate accounts of all monies of the Association and shall cause disbursement of such funds as directed by resolution of the Board of Directors; may sign all checks and promissory notes of the Association; shall keep proper books of account; shall cause an annual review of the Association's books and financial statements to be made by a public accountant at the completion of any fiscal year for which such review is required by law or as determined by the Board; shall assist the Board in preparation of an annual budget and a statement of income and expenditures to be presented to the Members of the Association as provided by law; and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

9.12 Delegation of Duties. The officers of the Association shall have the authority to delegate their duties to the managing agent, as the Board deems appropriate.

ARTICLE 10

COMMITTEES

The Board may appoint a Hiddenbrooke Architectural Review Committee ("HARC") as provided in Article 8 of the Declaration and a Nominating Committee as provided in Section 5.3 of these Bylaws. The Board may also appoint such other committees as it deems appropriate in carrying out the powers and purposes of the Association. The Board shall appoint all of the members of any committee created by the Board and said committee members shall serve at the pleasure of the Board. Any "committee of the Board" (that is a committee consisting only of Directors, as referred to in *Corporations Code* section 7212) shall consist of at least two (2) Directors, and shall have such powers and duties as the Board shall determine, subject to the limitations of *Corporations Code* section 7212.

ARTICLE 11

BOOKS, RECORDS AND FUNDS

11.1 Association Records. The accounting books and records of the Association and the minute books of proceedings of the Members, the Board, and committees of the Board shall, upon written request and during reasonable business hours, be subject to the inspection by any Member for any purpose, specified in writing, that is reasonably related to such Member's interest as a Member of the Association. If a Member requests the Association's membership list, he or she shall state, in writing, the purpose for which the list is requested, which purpose shall be reasonably related to such Member's interest as a Member of the Association. The Governing Documents shall be available for inspection by any Member at the principal office of the Association at all reasonable times during

office hours, where copies may be purchased at reasonable cost. The Board may adopt and publish Rules and regulations establishing procedures relating to the inspection and obtaining copies of Association records and documents. Any Director may inspect any of the books, records and documents of the Association at any reasonable time.

11.2 Checks, Drafts, and Evidence of Indebtedness. All checks, drafts, or other orders for payment of money, or notes or other evidences of indebtedness issued in the name of, or payable to, the Association shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the Board, and in the manner as specified by the Board of Directors, provided that the signatures of at least two (2) persons, who shall be Directors, or one officer who is not a Director and one who is a Director, shall be required for the withdrawal of funds from the Association's reserve account.

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

11.4 Fiscal Year. The fiscal year of the Association shall be July 1 to June 30.

ARTICLE 12

AMENDMENTS

12.1 Amendment by the Members. These Bylaws may be amended by the affirmative vote of a Majority of a Quorum of the Members. For purposes of the preceding sentence, a quorum shall mean twenty-five percent (25%) of the Total Voting Power, as set forth in Section 4.8.4 of these Bylaws.

12.2 Amendment by the Board of Directors. The Board of Directors may, by a majority vote of all Directors then in office, adopt amendments to these Bylaws when an amendment is needed to conform to a particular provision or provisions of the Bylaws to changes in applicable California statutory law that are nondiscretionary in nature. Before entertaining a motion to approve any such amendment(s), the Board shall receive a written opinion from an attorney licensed to practice law in the State of California confirming that a change or changes in California statutory law necessitates a corresponding amendment to these Bylaws to conform to the statutory requirements, which the Association is bound by law to follow.

ARTICLE 13

MISCELLANEOUS

13.1 Conflict Between Governing Documents. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the case of any conflict between the Rules and these Bylaws, these Bylaws shall control.

13.2 Amendment to Referenced Statutes. References in these Bylaws to particular statutes, including sections of the *Corporations Code*, shall be deemed to include any successor statute and any amendments to existing or successor statutes.

13.3 References to the Declaration. These Bylaws were presented with the Second Amended and Restated Master Declaration of Covenants, Conditions and Restrictions of Hiddenbrooke for approval by the Members. In the event the Members approved adoption of these Bylaws but did not approve the adoption of the Second Amended and Restated Master Declaration of Covenants, Conditions and Restrictions, any references to specific sections of the Declaration in these Bylaws shall be null and void unless and until the Second Amended and Restated Master Declaration of Covenants, Conditions and Restrictions is adopted.

**CERTIFICATE OF AMENDMENT
TO
BYLAWS
OF
HIDDENBROOKE PROPERTY OWNERS ASSOCIATION, INC.**

I, the undersigned, hereby certify that:

I am the Secretary of Hiddenbrooke Property Owners Association, Inc.

The foregoing Amended and Restated Bylaws of Hiddenbrooke Property Owners Association, Inc. were duly approved by the requisite vote of the Members of the Association on the [redacted] day of [redacted], 20[redacted].

The Amended and Restated Bylaws of Hiddenbrooke Property Owners Association, Inc. supersede all previously-effective Bylaws of Hiddenbrooke Property Owners Association, Inc. including, but not limited to the BYLAWS OF HIDDENBROOKE PROPERTY OWNERS ASSOCIATION, INC. certified on November 19, 2005.

Executed this [redacted] day of [redacted], 20[redacted].

[insert name as will sign], Secretary