

**MEMBER DRAFT 1/24/2017**

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**AMENDED AND RESTATED BYLAWS OF  
TAHOE DONNER 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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## AMENDED AND RESTATED BYLAWS OF TAHOE DONNER ASSOCIATION

### ARTICLE 1 ORGANIZATION

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- 1.1 Name and Location. The name of the corporation is TAHOE DONNER ASSOCIATION, which is hereinafter referred to as the "Association." The principal office of the Association shall be located in Nevada County, California, or at such other place reasonably convenient to the Development as the Board of Directors may from time to time establish.
- 1.2 Purpose. The purpose of the Association shall be as set forth in its Articles of Incorporation.
- 1.3 Successor Entity. In the event the Association as a corporate entity is dissolved, a nonprofit unincorporated association shall forthwith and without further action or notice be formed to succeed to all the rights and duties of the Association. The affairs of such unincorporated association will be governed by the laws of the State of California, and to the extent consistent therewith, by the Declaration, the Articles, and these Bylaws as if they were created for the purpose of governing the affairs of an unincorporated association.

### ARTICLE 2 DEFINITIONS

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Any capitalized terms that are not defined below shall have the meaning set forth in Article 1 of the Declaration ("Definitions").

- 2.1 Additional Charges. "Additional Charges" shall mean all costs, fees, charges, and expenditures including, but not limited to, interest, late charges, attorney fees, recording and filing fees, and all other costs actually incurred by the Association in collecting and/or enforcing payment of Assessments.
- 2.2 Articles. "Articles" shall mean the Amended and Restated Articles of Incorporation of Tahoe Donner Association, as they may be amended from time to time, and as filed with the Office of the Secretary of State of California.
- 2.3 Assessments. "Assessments," "Regular Assessments," "Special Assessments," "Reimbursement Assessments," and "Enforcement Assessments" shall have the meanings defined for those terms in the Declaration.



- 1 2.4 Association. “Association” shall mean Tahoe Donner Association, a California  
2 nonprofit mutual benefit corporation, its successors and assigns.  
3
- 4 2.5 Board of Directors. “Board of Directors” or “Board” shall mean the governing  
5 body of the Association.  
6
- 7 2.6 Bylaws. “Bylaws” shall mean the Amended and Restated Bylaws of the  
8 Association as they shall be duly adopted by the Board of Directors and the  
9 Members and any duly-adopted amendments thereof.  
10
- 11 2.7 Civil Code. “*Civil Code*” shall mean the California *Civil Code* as amended from  
12 time to time.  
13
- 14 2.8 Commercial Lot. “Commercial Lot” shall mean a Lot within the Development  
15 zoned for commercial purposes. When any provision of this Declaration is  
16 intended to apply only to a Commercial Lot, that term is used.  
17
- 18 2.9 Committee of the Board. “Committee of the Board” shall mean a committee  
19 consisting only of directors as described in *Corporations Code* section 7212.  
20
- 21 2.10 Common Area. “Common Area” shall mean all real property owned or held by  
22 the Association from time to time for the common use and enjoyment of the  
23 Owners and Residents of the Development and the Common Facilities.  
24
- 25 2.11 Common Facilities. “Common Facilities” shall mean (i) all recreational facilities  
26 located within the Common Area, and (ii) the main clubhouse and recreational  
27 building, maintenance building, and other facilities constructed or installed or to  
28 be constructed or installed, or currently located within the Common Area.  
29
- 30 2.12 Condominium Lot. “Condominium Lot” shall mean any Lot intended to be used  
31 for multi-family residential purposes, including any Lot developed as a  
32 Condominium Project or an apartment project. When any provision of this  
33 Declaration is intended to apply only to Condominium Lots that term is used.  
34
- 35 2.13 Condominium Maps. “Condominium Maps” or “Plans” shall mean a recorded plat  
36 map or condominium plan which identifies the Condominium Project and  
37 Condominium Common Area and each Separate Interest in the Condominium  
38 Project. The Condominium Maps are listed in **Exhibit C**, attached to the  
39 Amended and Restated Declaration of Covenants, Conditions and Restrictions  
40 and incorporated herein by this reference.  
41
- 42 2.14 Condominium Project. “Condominium Project” shall mean any one (1) of the  
43 Condominium Projects or apartment projects located within the Development.  
44 On the day of the recording of the Amended and Restated Declaration of  
45 Covenants, Conditions and Restrictions, there are one hundred eleven (111)  
46 Condominium Projects within the Development. The Condominium Projects

1 subject to said Declaration and a Supplemental Declaration are identified in  
2 **Exhibit D** attached to the Amended and Restated Declaration of Covenants,  
3 Conditions and Restrictions and incorporated herein by this reference.  
4

5 2.15 Contract Purchaser / Contract Seller. “Contract Purchaser” and “Contract Seller”  
6 shall mean the purchaser and the seller, respectively, under an installment land  
7 contract in which title to the property is transferred after the final installment  
8 payment is made.  
9

10 2.16 Corporations Code. “*Corporations Code*” shall mean the California *Corporations*  
11 *Code* as amended from time to time.  
12

13 2.17 Declaration. “Declaration” shall mean the Amended and Restated Declaration of  
14 Covenants, Conditions and Restrictions of Tahoe Donner Association, recorded  
15 in the Office of the County Recorder of Nevada County, California, and any duly-  
16 recorded amendments thereof.  
17

18 2.18 Delivery, When Effective. As provided for in *Civil Code* section 4050: (i) if notice  
19 is sent by United States mail, such notice shall be deemed delivered upon  
20 deposit in the United States mail, postage prepaid; (ii) if such notice is sent by  
21 electronic means, delivery is complete at the time of the transmission.  
22

23 2.19 Development. “Development” shall mean all the real property described in the  
24 Declaration as comprising the Tahoe Donner planned development and any  
25 additional real property as may hereafter be brought within the jurisdiction of the  
26 Association.  
27

28 2.20 General Delivery / General Notice. “General Delivery” or “General Notice” shall  
29 mean delivery to a Member or Members by one or more of the following  
30 methods, as provided in *Civil Code* section 4045:  
31

32 (a) By any method provided for delivery of an Individual Notice pursuant to  
33 *Civil Code* section 4040 which includes but is not limited to first-class mail  
34 or Express Mail or by overnight delivery by an express service carrier,  
35

36 (b) By inclusion in a billing statement, newsletter, or other document that is  
37 delivered by General Delivery,  
38

39 (c) By posting a printed document in a prominent location that is accessible to  
40 all Members, if the location has been designated for the posting of  
41 General Notices by the Association in the annual policy statement,  
42 prepared pursuant to *Civil Code* section 5310,  
43

44 (d) If the Association broadcasts television programming for the purpose of  
45 distributing information on Association business to its Members, by  
46 inclusion in the Association broadcast television programming.

1  
2 Notwithstanding the foregoing, if a Member has requested to receive General  
3 Notices by Individual Delivery, then all “General Notices” to that Member shall be  
4 delivered by “Individual Delivery.”  
5

6 2.21 Governing Documents. “Governing Documents” shall mean the Articles, Bylaws,  
7 Declaration, and Rules.  
8

9 2.22 Individual Delivery / Individual Notice. “Individual Delivery” or “Individual Notice”  
10 shall mean delivery to a Member or Members by one (1) of the following  
11 methods, as provided in *Civil Code* section 4040:  
12

13 (a) By first-class mail with postage prepaid, registered or certified mail,  
14 express mail, or overnight delivery by an express service carrier,  
15 addressed to the recipient at such recipient’s address last shown on the  
16 books of the Association, or  
17

18 (b) By email, facsimile, or other electronic means if the recipient has  
19 consented in writing to that method of delivery. The consent may be  
20 revoked, in writing, by the recipient. Delivery by electronic transmission  
21 must also comply with *Corporations Code* sections 20 and 21. Among  
22 other things, Section 20 of the *Corporations Code* requires the Association  
23 to obtain consent from the person to whom the document is transmitted to  
24 receive it by means of electronic transmission as well as other technical  
25 requirements.  
26

27 2.23 Lot. “Lot” shall mean any plot of land shown upon any of the Subdivision Maps  
28 with the exception of the Common Area. There are Commercial Lots, Residential  
29 Lots, and Condominium Lots (containing apartment or condominium Units).  
30 There are five thousand, nine hundred thirty (5,930) Lots in the Development.  
31

32 2.24 Majority of a Quorum. “Majority of a Quorum” shall mean a majority of the votes  
33 cast in any lawful vote or election by the Members in which the number of ballots  
34 cast equals or exceeds the number required to establish a quorum as provided in  
35 Section 4.6 (“Quorum Requirements”).  
36

37 2.25 Member. “Member” shall mean an Owner of a Residential Lot or of a  
38 Condominium Lot. The term Member shall include members of the Member’s  
39 family. Owners of Commercial Lots are not Members of the Association.  
40

41 2.26 Member in Good Standing. “Member in Good Standing” shall mean a Member of  
42 the Association who is current in the payment of all Assessments and Additional  
43 Charges imposed in accordance with the Governing Documents and who is in  
44 compliance with all of the provisions of the Governing Documents. A Member  
45 shall be deemed to be in Good Standing unless, after notice and an opportunity  
46 for hearing, pursuant to Article 14 of the Declaration (“Enforcement; Notice;

Hearings”), the Board has found the Member to be not in Good Standing and has so notified the Member in accordance with *Civil Code* section 5855.

2.27 Other Association Property. “Other Association Property” shall mean those parcels of real property now owned or hereafter acquired by the Association which are not dedicated as Common Area. The real property comprising Other Association Property as of the date of recording of the Amended and Restated Declaration of Covenants, Conditions and Restrictions are listed in Exhibit E thereof and incorporated herein by this reference.

2.28 Owner. “Owner” shall mean the record owner, whether one (1) or more persons or entities, of the fee simple title to any Lot (but not an owner of a Commercial Lot) or Unit, including Contract Sellers but excluding Contract Purchasers, and excluding those persons having such interest merely as security for the performance of an obligation.

2.29 Resident. “Resident” shall mean any person who resides on a Lot or in a Unit within the Development whether or not such person is an Owner.

2.30 Residential Lot. “Residential Lot” shall mean any Lot located within the Development and intended to be improved with a single-family, detached residential structure. When any provision of the Declaration is intended to apply only to a Residential Lot, that term is used.

2.31 Rules. “Rules” shall mean the policies, rules, and regulations governing the administration, management, operation, use, and occupancy of the Development, including the use of the Common Area and facilities, the personal conduct of Members and Residents, members of their household, pets, tenants, invitees, and guests within the Development, enforcement of the Governing Documents, and any other matter that is within the jurisdiction of the Association, as adopted, published, or amended by the Board from time to time and subject to applicable law including *Civil Code* section 4340 and following.

2.32 Separate Interest. Separate Interest shall mean a separately owned Residential Lot or a separately owned Unit within a Condominium Project, but not a Commercial Lot.

2.33 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 (1) vote for each Residential Lot or each Unit, excluding any Residential Lots or Units as to which an Owner is not then a Member in Good Standing.

2.34 Town. “Town” shall mean the Town of Truckee.

2.35 Unit. “Unit” shall mean the elements of a Condominium that are not owned in common with the Owners of other Condominiums within the Condominium

1 Project, which Units are shown as separately designated and numbered areas on  
2 the Condominium Maps or Plans. The boundaries of each Unit and any  
3 appurtenances thereto, along with what is included within each Unit, are  
4 described on the respective Condominium Plans or Maps for the Condominium  
5 Projects. On the day of the recording of the Amended and Restated Declaration  
6 of Covenants, Conditions and Restriction, there are six hundred sixty-eight (668)  
7 Units in the Project.  
8  
9

### 10 **ARTICLE 3 MEMBERSHIP AND VOTING RIGHTS**

---

11  
12 3.1 Membership Appurtenant to Residential Lot and Unit Ownership. Membership in  
13 the Association shall include, and shall be limited to, all Owners of a Separate  
14 Interest located within the Development. Commercial Lots and not Separate  
15 Interests and Owners of Commercial Lots are not Members of the Association  
16 and shall have none of the rights, preferences, and privileges of the Members.  
17 Ownership of a Separate Interest is the sole qualification to be a Member.  
18 Membership shall be appurtenant to and may not be separated from ownership  
19 of the Separate Interest. Upon becoming the Owner of a Separate Interest each  
20 Owner shall automatically be a Member of the Association and shall remain a  
21 Member until such time as his or her or its ownership of the Separate Interest  
22 ceases for any reason. Membership in the Association shall not be transferred,  
23 encumbered, pledged, alienated, or hypothecated in any way, except upon the  
24 transfer or encumbrance of the Separate Interest to which it is appurtenant and  
25 then only to the transferee or mortgagee, as the case may be, of such Separate  
26 Interest. Any attempt to make a prohibited transfer is void. Upon any transfer of  
27 title to a Separate Interest, including a transfer upon the death of an Owner,  
28 membership in the Association shall pass automatically to the transferee.  
29

30 3.2 Owner's Address for Notice. It shall be each Owner's responsibility to notify the  
31 Association in writing of any change in the Owner's address for the purpose of  
32 receiving notices from the Association. The fact that a different address appears  
33 on correspondence to the Association from an Owner shall not constitute such  
34 written notice, unless it is expressly stated in writing that such address is a  
35 change of address for the purpose of receiving notice from the Association.  
36

37 3.3 Notice of Transfer of Title. Upon transfer of title to a Separate Interest, the  
38 transferee shall be responsible for notifying the Association of such transfer. The  
39 notification shall set forth the address of the Separate Interest, the names of the  
40 transferee and the transferor, and the date of sale or other transfer. Prior to  
41 receipt of such notification, any and all communications required or permitted to  
42 be given by the Association or the Board to the Separate Interest Owner shall be  
43 deemed to be duly made and given to the transferee if duly and timely made and  
44 given to the person shown as the Owner of Separate Interest and at the address  
45 in the Association's records.  
46

1 3.4 Proof of Membership. No person shall exercise the rights of a Member until  
2 satisfactory proof of membership has been furnished to the Association. Such  
3 proof may consist of either a copy of a duly-executed and acknowledged grant  
4 deed or a copy of a title insurance policy showing that the person is an Owner as  
5 defined in Section 2.28 ("Owner") of a Separate Interest. Such deed or policy  
6 shall be deemed conclusive proof of ownership in the absence of a conflicting  
7 claim based on a later deed or policy.

8  
9 3.5 Voting Rights; Joint Owners.

10  
11 3.5.1 One Vote Per Lot or Unit. Only Members in Good Standing shall be  
12 entitled to vote on any issue or matter presented to the Members for  
13 approval or membership vote. Members in Good Standing shall be  
14 entitled to cast one (1) vote for each Residential Lot or Unit owned.

15  
16 3.5.2 Joint Owners. In the event more than one (1) person owns a given  
17 Separate Interest, the vote for such Separate Interest shall be  
18 exercised as the Owners among themselves shall determine, but in no  
19 event shall more than one (1) vote be cast with respect to any  
20 Separate Interest. If the joint Owners of a Separate Interest are unable  
21 to agree among themselves as to how their vote is to be cast, they  
22 shall lose their right to vote on the matter in question. If any joint  
23 Owner of a Separate Interest casts a vote representing a certain  
24 Residential Lot or Unit, it will thereafter be conclusively presumed for  
25 all purposes that such Owner was acting with the authority and  
26 consent of the other Owners of that Separate Interest.

27  
28 3.5.3 Trusts, Corporations, Other Entities. In the case of an Owner that is a  
29 corporate trustee or is not a natural person (such as a corporation or  
30 other entity), the vote of such Owner may be cast by any authorized  
31 representative of the Owner designated by notice in writing to the  
32 Association.

33  
34 3.5.4 Conservator, Guardian, Parent of Minor, Executor. The power to cast  
35 a particular Member's vote may be exercised by (i) the Member's  
36 conservator, (ii) the guardian of the Member's estate, (iii) the parent(s)  
37 entitled to custody of a Member if the Member is a minor, or (iv) the  
38 executor or administrator of a deceased Member's estate if the  
39 Member's interest in the Separate Interest is subject to administration  
40 in his or her estate.

41  
42 3.6 Record Date for Voting. Consistent with *Corporations Code* section 7611(c), the  
43 Board may fix a date not more than sixty (60) days before the date of any mailing  
44 or delivery of ballots as the record date for determining Members entitled to vote  
45 and only Members in Good Standing as shown in the records of the Association  
46 as of the record date for voting shall be entitled to vote in such vote or election. If



1 no record date for voting is set by the Board, Members in Good Standing on the  
2 day of the mailing or delivery of ballots shall be entitled to vote in such vote or  
3 election.  
4  
5

## 6 **ARTICLE 4 VOTING BY MEMBERS**

---

7  
8 4.1 Voting by Members; Members' Request for Vote. Any vote on any matter  
9 specified in *Civil Code* section 5100(a), which at the time these Bylaws were  
10 adopted include: (i) elections regarding assessments legally requiring a vote, (ii)  
11 election and removal of directors, (iii) amendments to the governing documents,  
12 or (iv) the grant of exclusive use of common area pursuant to *Civil Code* section  
13 4600 and any vote pursuant to a written request of Members as described in  
14 *Corporations Code* section 7510(e) shall be by "secret ballot" pursuant to *Civil*  
15 *Code* sections 5100 through 5145. The deadline for returning a secret ballot  
16 shall be at least thirty (30) days. Any membership vote on any other matter may  
17 be by written ballot, as described in *Corporations Code* section 7513, and the  
18 deadline for returning a written ballot shall be a reasonable time, which may be  
19 less than thirty (30) days from the date of mailing.  
20

21 4.2 Proxies Are Prohibited. Use of proxies in connection with membership votes or  
22 membership meetings is expressly prohibited. "Proxy" shall mean a written  
23 authorization signed by a Member or a Member's attorney-in-fact giving another  
24 person or persons power to vote for such Member, as defined in *Corporations*  
25 *Code* section 5069, other than a designated authorized representative casting a  
26 vote pursuant to **Section 3.5.3** ("Trusts, Corporations, Other Entities"), above.  
27

28 4.3 Inspector(s) of Election. To the extent required pursuant to *Civil Code* section  
29 5110, prior to any election or vote by the Members, the Board shall appoint one  
30 (1) or three (3) inspectors of election, whose powers and duties shall be as set  
31 forth in such statute.  
32

33 4.4 Voting and Election Rules. The Board shall adopt Rules governing membership  
34 voting and elections of directors in conformity with *Civil Code* section 5105(a).  
35

36 4.5 Open Forums. Notwithstanding the provisions of **Section 4.1** ("Voting by  
37 Members; Members' Request for Vote"), the Board shall be entitled to call  
38 informal meetings of the Members, to be known as open forums, for the purpose  
39 of discussing problems common to Members residing in one particular area  
40 within the Project property or problems common to all Members. Open forums  
41 shall be called on notice delivered to all interested Members. The notice shall set  
42 forth the date, time, and place of the open forum and the general nature of each  
43 item to be discussed. The Members may discuss at an open forum any topic that  
44 has been noticed, but no formal action of the Members may be taken; however,  
45 reports and other informational presentations may be made. Actions requiring a

1 vote of Members are reserved to Member votes conducted pursuant to **Section**  
2 **4.1**.

3  
4 4.6 Quorum Requirements. The number of ballots that must be cast in order to  
5 establish a quorum shall be as follows:

6  
7 4.6.1 Election of Directors. In any election of one (1) or more directors, the  
8 number of the valid ballots received shall constitute a quorum.

9  
10 4.6.2 Assessment Votes. To the extent required by *Civil Code* section 5605,  
11 notwithstanding any other provision in the Governing Documents, for  
12 purposes of voting on a Special Assessment or an increase in the  
13 Regular Assessment that by law must be approved by the Members, a  
14 quorum shall mean more than fifty percent (50%) of the Members (as  
15 distinguished from percentage of the Total Voting Power), or such  
16 other quorum requirement as may be specified by law.

17  
18 4.6.3 Amending the Declaration. In any vote to amend the Declaration, a  
19 quorum shall mean more than fifty percent (50%) of the Total Voting  
20 Power as provided in **Section 15.1 of the Declaration** (“Required  
21 Approval”).

22  
23 4.6.4 All Other Member Votes. For any other vote or election by the  
24 Members, a quorum shall mean twenty-five percent (25%) of the Total  
25 Voting Power.

26  
27 4.6.5 Meetings to Count Ballots. There shall be no quorum requirement for  
28 Member attendance at any meeting of the Members held for the  
29 purpose of tabulating ballots pursuant to *Civil Code* section 5120(a)  
30 and no voting by the Members other than the tabulation of ballots by  
31 the inspector(s) of election shall be conducted at any such meeting.

32  
33 4.7 Act of Members Requires Majority of a Quorum. Except where the Governing  
34 Documents specify a higher percentage of a quorum or require a specified  
35 percentage of the Total Voting Power of the Members for any action that may be  
36 taken by the Members, the affirmative vote of a Majority of a Quorum of the  
37 Members shall constitute the action of the Members.

38  
39 4.8 Results of Membership Votes. To the extent required by *Civil Code* section  
40 5120(b), the Board shall within fifteen (15) days of an election give General  
41 Notice of the tabulated results to all the Members. To the extent required by  
42 *Corporations Code* section 8325, for a period of sixty (60) days following the  
43 conclusion of any membership vote (or, if applicable, an annual, regular, or  
44 special meeting of Members), a Member shall, upon written request, be informed  
45 forthwith of the result of any particular vote of the Members, including the number  
46 of memberships voting for, the number of memberships voting against, and the



1 number of memberships abstaining or withheld from voting. If the matter voted  
2 on was the election of directors, the Association shall report the number of votes  
3 cast for each nominee for director.  
4

5 4.9 Meetings of Members. To the extent any vote or election by the Members is  
6 required by law to be conducted at a meeting of the Members, the provisions of  
7 the *Corporations Code*, including *Corporations Code* sections 7510 and 7511,  
8 that would otherwise apply shall apply; any such meeting of Members shall be  
9 conducted in accordance with a recognized system of parliamentary procedure  
10 or such parliamentary procedures as the Association may adopt; and to the  
11 extent required pursuant to *Civil Code* sections 4925(b) and 5000(b), a  
12 reasonable time limit for all Members to speak at a meeting of the Members shall  
13 be established by the Board.  
14

15 4.10 Place of Member Meetings. Meetings of the Members shall be held at a location  
16 within the Development, or the Board may designate by resolution a convenient  
17 place located as close as reasonably practicable to the Development.  
18

19 4.11 Special Meetings of Members. Special meetings of the Members shall be held in  
20 response to a request by the Board President, or by any two Members of the  
21 Board, or by vote of a majority of the Board, or upon written request of Members  
22 representing five percent (5%) of the Total Voting Power of the Members.  
23

24 4.12 Notice of Member Meetings. Written notice of Member meetings shall be given  
25 to each Member by Individual Delivery at least ten (10) days but not more than  
26 ninety (90) days before such meeting; *except that*, in the case of a special  
27 meeting called pursuant to written request of Members, notice of such special  
28 meeting shall be given to Members by Individual Delivery within twenty (20) days  
29 after receipt of a written request by the Board, and the date for such special  
30 meeting shall be not less than thirty-five (35) days nor later than ninety (90) days  
31 after the date of the Board's receipt of the written request. The notice shall state  
32 the date, time and place of the meeting, and in the case of a special meeting,  
33 shall state the purpose for the meeting.  
34

35  
36 **ARTICLE 5 BOARD OF DIRECTORS: NOMINATION, SELECTION, TERM**  
37 **OF OFFICE, REMOVAL**  
38

---

39 5.1 Number of Directors. The affairs of this Association shall be managed by or  
40 under the direction of, and the corporate powers shall be exercised by, a Board  
41 of Directors. The authorized number of directors shall be five (5).  
42

43 5.2 Annual Election of Directors. Directors shall be elected annually in the month of  
44 June.  
45

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 a  
3 Member in Good Standing or in the case of a Member in Good Standing that is  
4 not a natural person (such as a corporation or other entity), an officer, director,  
5 principal, or authorized representative of the entity, (ii) is over eighteen (18) years  
6 of age, (iii) has not been found by a court of competent jurisdiction to be of  
7 unsound mind, (iv) has not been convicted of a felony, and (v) owns not less than  
8 a twenty-five percent (25%) interest in a Separate Interest. Co-Owners of one  
9 (1) or more Lots or Units may not serve on the Board at the same time. No  
10 employee of Tahoe Donner shall be eligible to serve on the Board.  
11

12 5.4 Nomination Procedures. Nominations of candidates for election to the Board of  
13 Directors may be made by an Election Committee (hereinafter, "Election  
14 Committee") or by self-nomination, as follows:  
15

16 5.4.1 By Election Committee. Prior to any election of directors, the Board  
17 shall appoint an Election Committee to nominate candidates for  
18 election to the Board. The Election Committee may nominate as many  
19 candidates for election to the Board as it shall in its discretion  
20 determine, but shall endeavor to nominate not less than the number of  
21 positions on the Board that are to be filled in the election. All  
22 nominations shall be made from among persons who satisfy the  
23 qualifications set forth in **Section 5.3** ("Qualification of Directors") and  
24 shall be made prior to the deadline for nominations.  
25

26 5.4.2 By Self-Nomination. Any Member who satisfies the qualifications set  
27 forth in **Section 5.3** ("Qualification of Directors") may place his or her  
28 name in nomination for election to the Board by giving written notice to  
29 the Association. Notice of self-nomination must be received prior to  
30 the deadline for nominations.  
31

32 5.5 Deadline for Nominations. The deadline for nominations shall be set by the  
33 Board and shall be not less than five (5) and not more than forty-five (45) days  
34 prior to the date of the mailing or delivery of ballots for any election of directors.  
35

36 5.6 Publication of Deadline for Nominations. The date and time of the deadline for  
37 nominations shall be published at least fifteen (15) days in advance of the  
38 deadline in an Association newsletter, or if there is no such newsletter, notice  
39 shall be given in one (1) or more of the following manners: (i) by posting a notice  
40 in one (1) or more prominent places within the Development, (ii) by mailing or  
41 delivering a notice to each Lot and Unit, or (iii) by other means reasonably  
42 designed to provide actual notice to the Members.  
43

44 5.7 Election by Acclamation. If, as of the published deadline for nominations, the  
45 number of people nominated is not more than the number of directors to be  
46 elected, then the persons nominated and qualified to be elected shall, unless

1 election by acclamation is prohibited by law, be declared elected and shall take  
2 office at the first Board meeting following the deadline for nominations or, if later  
3 and an annual meeting is held, then at the first Board meeting after the annual  
4 meeting. Written notice of the election by acclamation shall be given to the  
5 Members.  
6

7 5.8 Notice of Known Candidate Names. The names of all persons known by the  
8 Board to be qualified candidates for election to the Board as of the published  
9 deadline for nominations shall be set forth on the ballot for election of directors.  
10

11 5.9 Candidate Night. Prior to the annual election, the Board shall conduct at least  
12 one (1) community meeting, at an appropriate location within or near the  
13 Development, so that all candidates may have an opportunity to address  
14 interested members (“candidates night”). Such event shall be held after the  
15 deadline for nominations has passed and at least ten (10) days prior to the  
16 annual meeting of Members.  
17

18 5.10 Voting for Directors; No Cumulative Voting Permitted; No Write-Ins. In all  
19 elections of directors, Members in Good Standing may cast, in respect to each  
20 position on the Board to be filled, one (1) vote for each Lot or Unit owned. The  
21 persons receiving the largest number of votes shall be elected. Cumulative  
22 voting (i.e., giving more than one vote to any candidate) shall not be permitted.  
23 Voting for write-in candidates (that is, voting for any person not nominated prior  
24 to the deadline for nominations) is not permitted.  
25

26 5.11 Tied Votes. In the case of a tied vote for one (1) or more positions on the Board,  
27 the candidates shall draw lots to determine the winner or winners.  
28

29 5.12 Election and Term of Office. In the annual election of directors, the Members  
30 shall, in successive years, elect two (2) directors, two (2) directors, and one (1)  
31 director, respectively, for terms of three (3) years each. Each director shall serve  
32 until the expiration of his or her term and thereafter until a successor is elected,  
33 or until the earlier disqualification, death, resignation, or removal of such director.  
34 No Owner may serve for more than two (2) elected consecutive terms of office.  
35 An Owner shall be deemed to have served for the full term for which he or she  
36 had been elected, regardless of how long the director actually serves. If a  
37 person is elected or appointed to fill a vacancy pursuant to Section 5.16 (“Filling  
38 Vacancies”) that partial term shall not be counted toward this limitation on  
39 consecutive terms of office.  
40

41 5.13 Removal of Directors by the Members. Consistent with *Corporations Code*  
42 section 7222, any director may be removed from the Board, with or without  
43 cause, by the vote of a Majority of a Quorum of the Members as set forth in  
44 Section 5.16.1.  
45

1 5.14 Reduction of Number of Directors. Any reduction of the authorized number of  
2 directors shall be subject to the provisions of *Corporations Code* section 7222(c).

3  
4 5.15 Vacancies, Resignation, Disqualification of Directors. A vacancy shall exist on  
5 the Board (i) in the event of the death, resignation, or removal (by the Members)  
6 of any director, (ii) in the event of a declaration of a vacancy by the Board as  
7 provided below in this **Section 5.15**, (iii) if the authorized number of directors is  
8 increased, or (iv) if the Members fail to elect the full authorized number of  
9 directors.

10  
11 5.15.1 Resignation. Any director may resign by giving written notice to the  
12 Board. The resignation shall be effective on the date specified in the  
13 notice. Unless otherwise provided in the notice, the acceptance of a  
14 resignation shall not be necessary to make it effective.

15  
16 5.15.2 Disqualification of a Director. As provided in *Corporations Code*  
17 section 7221(b), the Board of directors, by a majority vote of the  
18 directors who meet all of the qualifications for directors as set forth in  
19 **Section 5.3** (“Qualification of Directors”), may declare vacant the office  
20 of any director who fails or ceases to meet any required qualification  
21 that was in effect at the beginning of that director’s current term of  
22 office.

23  
24 5.15.3 Failure to Perform Duties. Pursuant to *Corporations Code* section  
25 7221(a), the Board, by vote of a majority of a quorum, may declare  
26 vacant the office of any director who: (i) fails within sixty (60) days  
27 after receiving notice of election to accept office, either in writing or by  
28 attending a meeting of the Board as a director, (ii) is absent from three  
29 (3) consecutive regularly scheduled meetings of the Board or three  
30 meetings of the Board in any one calendar year, or (iii) fails to maintain  
31 the confidentiality of the Board and/or otherwise breaches his or her  
32 fiduciary duty with respect to the performance of his or her obligations.

33  
34 5.16 Filling Vacancies.

35  
36 5.16.1 Removal by Members. Pursuant to *Corporations Code* section 7224,  
37 vacancies on the Board created by the removal of a director by the  
38 Members shall be filled by approval of the Members. A director  
39 elected by the Members to fill such a vacancy shall serve the  
40 remainder of the term of office of the director whom he or she replaces.

41  
42 5.16.2 Other Vacancies. Any vacancy occurring on the Board of Directors,  
43 except a vacancy created by the removal of a director by the Members,  
44 may be filled (i) by approval of the Board of Directors; or (ii) by a sole  
45 remaining director. If the Board accepts the resignation of a director  
46 tendered to take effect at a future time, the Board, including the

1 resigning director, may choose or, if the Board fails to act, the  
2 Members may elect, a successor to take office when the resignation  
3 becomes effective. The Members may elect a director at any time to  
4 fill any vacancy not filled by the directors. A director chosen by the  
5 Board in accordance with this **Section 5.16** to fill a vacancy shall serve  
6 the remainder of the term of office of the director whom he or she  
7 replaces.

8  
9 **5.17 Removal of Entire Board; Replacement Directors.** In the case of a vote by the  
10 Members to remove the entire Board of Directors, the incumbent directors shall  
11 not be removed from office unless and until one (1) or more replacement  
12 directors have been elected by the Members. If, in such election, the Members  
13 fail to elect the full number of replacement directors, the vacancies then existing  
14 on the Board may be filled by the elected replacement directors pursuant to  
15 clause (i) or clause (ii) of **Section 5.16** (“Filling Vacancies”). All of the directors  
16 replacing those removed by the Members shall serve until the next annual  
17 election of directors, at which time (i) five (5) directors shall be elected and the  
18 two (2) directors who receive the largest number of votes shall serve a three-year  
19 term and the two (2) directors who receive the next largest number of votes shall  
20 serve a two-year term and the other one (1) director shall serve a one-year term,  
21 in order to create staggered terms of office; or (ii) alternatively, if the number of  
22 qualified candidates for the next annual election is less than or equal to five (5),  
23 the directors shall be elected by acclamation pursuant to **Section 5.7** (“Election  
24 by Acclamation”) and shall draw lots to determine one-year or two-year terms to  
25 create staggered terms of office.

26  
27 **5.18 Directors’ Conflict of Interest.** As provided in *Civil Code* section 5350, no director  
28 or member of a committee shall be permitted to vote on matters of (i) discipline of  
29 the director or committee member, (ii) an assessment against the director or  
30 committee member for damage to the Common Area or facilities, (iii) a request,  
31 by the director or committee member, for a payment plan for overdue  
32 assessments, (iv) a decision whether to foreclose on a lien on the separate  
33 interest of the director or committee member, (v) review of a proposed physical  
34 change to the separate interest of the director or committee member, (vi) a grant  
35 of Exclusive Use Common Area to the director or committee member, and (vii) as  
36 provided in *Corporations Code* section 7233, any contact or other transaction in  
37 which a director or committee member has a material financial interest. As  
38 provided in *Corporations Code* section 7234, the interested director or committee  
39 member may be counted in determining the presence of a quorum at a meeting  
40 of the Board or of a committee.

41  
42 **5.18.1 Material Financial Interest.** A director shall be deemed to have a  
43 material financial interest in a decision if it is reasonably foreseeable  
44 that the decision will have a material financial effect, distinguishable  
45 from its effect on the Members generally, on (a) any business entity in  
46 which the Board member has a direct or indirect investment worth

1 more than One Thousand Dollars (\$1,000); (b) any interest in real  
2 property in which the Board member has direct or indirect interest  
3 worth more than \$1,000; (c) any source of income aggregating Two  
4 Hundred Fifty Dollars (\$250) or more in value provided to, received by,  
5 or promised to the Board member within twelve (12) months prior to  
6 the time when the decision is made; or (d) any business entity in which  
7 the Board member is a director, officer, partner, trustee, employee, or  
8 holds any management position.

9  
10 5.18.2 Distinguishable From the Members Generally. A material financial  
11 effect of a Board decision on a director's financial interest is  
12 distinguishable from its effect on the Members generally unless the  
13 decisions will affect the Board member's financial interest in  
14 substantially the same manner as it will affect all Members or a  
15 significant segment of the Tahoe Donner membership. An industry,  
16 trade or profession in which the Board member is a participant does  
17 not constitute a significant segment of the Membership.

18  
19 5.18.3 Materiality. Financial effects are material if they might interfere with a  
20 Board member's performance of his or her duties in an impartial  
21 manner and free from bias.

22  
23 5.18.4 Indirect Investment or Interest. An indirect investment or interest of a  
24 Board member means any investment or interest owned by the spouse  
25 of dependent child of the Board member, by an agent on behalf of the  
26 Board member or by a business entity or trust in which the Board  
27 member, his or her agents, spouse, and/or dependent children own  
28 directly, indirectly or beneficially, a ten percent (10%) or greater  
29 interest.

30  
31 5.18.5 Conflict of Interest Rules. The Board may adopt reasonable Rules,  
32 policies, procedures and forms to facilitate the disclosure of interested  
33 director transactions, further refine the application of this **Section 5.18**  
34 to specific transactions and to rule on the presence or absence of  
35 interested director transactions if such a determination is requested by  
36 a director in advance of the director's participation in what is, or may  
37 constitute an interested director transaction.

38  
39 5.19 No Compensation of Directors. No director shall receive compensation for any  
40 service he or she may render to the Association as a director. However, any  
41 director may be reimbursed for his or her expenses actually incurred in the  
42 performance of his or her duties pursuant to resolution of the Board. In order to  
43 promote circulation and visibility of the directors within the community to  
44 encourage director awareness of the condition of Association properties and  
45 concerns of Member users, Directors shall be entitled to reasonable Common  
46 Facility user privileges without the usual fees or charges.



1  
2 5.20 Directors' Standard of Care. As provided in *Corporations Code* section 7231, a  
3 director shall perform the duties of a director, including duties as a member of  
4 any Committee of the Board upon which the director may serve, in good faith, in  
5 a manner such director believes to be in the best interests of the corporation and  
6 with such care, including reasonable inquiry, as an ordinarily prudent person in a  
7 like position would use under similar circumstances.

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

16  
17  
18 **ARTICLE 6                      MEETINGS OF DIRECTORS**

---

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

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

40  
41 6.3 Organizational Meeting. As soon as possible, but in any event within thirty (30)  
42 days, after each annual election of directors, the Board of Directors shall hold a  
43 meeting for the purpose of organization, appointment of officers, and transaction  
44 of other business, as appropriate.  
45

1 6.4 Regular Meetings of the Board. Regular meetings of the Board shall be held  
2 monthly upon proper notice which conforms to the provisions of **Section 6.7**  
3 (“Notice to Directors”) and **Section 6.8** (“Notice to Members; Agenda”), at the  
4 place, day, and time set forth in such notice. In the event the Board should  
5 determine that the business to be transacted by the Board does not reasonably  
6 justify monthly meetings, then regular meetings of the Board shall be held at  
7 such intervals as the Board may determine, but not less frequently than once  
8 every three (3) months.

9  
10 6.5 Special Meetings of the Board. Special meetings of the Board shall be held  
11 when called by the President of the Association or by any two (2) directors.

12  
13 6.6 Emergency Meetings of the Board. As provided in *Civil Code* section 4923,  
14 emergency meetings of the Board may be called by the President or by any two  
15 (2) directors other than the President, if there are circumstances that could not  
16 have been reasonably foreseen which require immediate attention and possible  
17 action by the Board, and which of necessity make it impracticable to provide the  
18 notice required by *Civil Code* section 4920.

19  
20 6.7 Notice to Directors. Regular meetings of the Board may be held, without further  
21 notice to the Board, at a place within or reasonably convenient to the  
22 Development and on a day and time fixed by resolution by the Board. If not fixed  
23 by resolution of the Board, notice of each meeting of the Board shall be  
24 communicated to the directors not less than four (4) days prior to a regular  
25 meeting, and not less than forty-eight (48) hours prior to a special meeting;  
26 provided that shorter notice may be given in the case of a bona fide emergency;  
27 and *provided, further*, that notice of a meeting need not be given to any director  
28 who signed a waiver of notice or a written consent to holding the meeting,  
29 whether before or after the meeting.

30  
31 6.8 Notice to Members; Agenda. To the extent required pursuant to *Civil Code*  
32 section 4920, except for bona fide emergency meetings (whether open meeting  
33 or executive session), prior written notice of the day, time, and place of each  
34 meeting of the Board of Directors shall be given to all Members. The notice shall  
35 contain the agenda for the meeting, subject to the provisions of *Civil Code*  
36 section 4930.

37  
38 6.8.1 Timing of Notice to Members. Notice of open Board meetings shall be  
39 given at least four (4) days before the meeting. Notice of a Board  
40 meeting that is held exclusively in executive session shall be given at  
41 least two (2) days before the meeting.

42  
43 6.8.2 Delivery of Notice to Members. The notice to the Members shall be  
44 given by General Delivery in accordance with *Civil Code* section 4045.  
45



1 6.9 Open Meeting. To the extent required pursuant to *Civil Code* section 4925(a),  
2 regular and special meetings of the Board of Directors shall be open to all  
3 Members of the Association, except when the Board meets in executive session.  
4 Pursuant to *Civil Code* section 4925(b), a reasonable time limit for all Members to  
5 speak to the Board shall be established by the Board; however, the right to speak  
6 to the Board shall not entitle any Member to participate in the Board's  
7 deliberations on any matters unless requested to do so by the Board.

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

27  
28 6.11 Board's Action by Unanimous Written Consent. To the extent provided in *Civil*  
29 *Code* section 4910, the Board may not take action by unanimous written consent  
30 without a meeting except in case of emergency and then only by electronic  
31 transmission, including email as provided in *Civil Code* section 4910(b)(2). Any  
32 such written consents shall be filed with the minutes of the proceedings of the  
33 Board.

34  
35 6.12 Quorum for Board's Action. A majority of the number of directors then in office  
36 (but not less than two) shall constitute a quorum for the transaction of business.  
37 Every act or decision done or made by a majority of the directors present at a  
38 duly-held meeting at which a quorum is present shall be regarded as the act of  
39 the Board. A meeting at which a quorum is initially present may continue to  
40 transact business, notwithstanding the withdrawal of directors, if any action taken  
41 is approved by a majority of the required quorum for that meeting.

42  
43 6.13 Voting by Directors. Pursuant to *Corporations Code* section 7211(c), each  
44 director shall be entitled to one (1) vote and a director may not vote by proxy or  
45 otherwise delegate his or her right to vote on any matter before the Board  
46

1 6.14 Minutes of Meetings of Directors. To the extent required by *Civil Code* section  
2 4950(a), within thirty (30) days after the date of any meeting of the Board, the  
3 Board shall make available to the Members either (i) the minutes of that meeting  
4 as adopted by the Board, (ii) if the minutes have not yet been adopted by the  
5 Board, the minutes as proposed for adoption which shall be marked to indicate  
6 draft status, or (iii) a summary of the minutes. To the extent required by *Civil*  
7 *Code* section 4935(e), any matter discussed in an executive session shall be  
8 generally noted in the minutes of the Board and minutes of executive sessions  
9 shall not otherwise be required. Copies of the minutes, proposed minutes, or  
10 summary of minutes shall be provided to any Member of the Association upon  
11 request and upon reimbursement of the Association's costs in providing such  
12 copies.  
13

## 14 **ARTICLE 7**                    **DUTIES OF THE BOARD OF DIRECTORS**

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16                    The Board shall be ultimately responsible for the management and conduct of  
17 the affairs of the Association. Without limiting the generality of the foregoing, the  
18 specific duties of the Board shall include the following:  
19

20  
21 7.1 Supervision. The Board shall supervise all officers, agents, and employees of  
22 the Association, if any, and see that their duties are properly performed. The  
23 Board shall delegate its duty to supervise employees of the Association to the  
24 Manager, who shall have the authority to directly supervise employees.  
25

26 7.2 Records and Minutes. The Board shall cause to be kept a complete record of all  
27 its acts and the corporate affairs, including an accurate and current record of the  
28 Members setting forth their names and addresses, adequate and correct books  
29 and records of account, and minutes of the proceedings of the Members, the  
30 Board, Committees of the Board, and any other committee appointed by the  
31 Board having decision-making authority.  
32

33 7.3 Maintain Insurance. The Board shall procure and maintain adequate casualty,  
34 liability and other insurance, as the Board shall determine consistent with the  
35 provisions of **Article 12 of the Declaration** ("Insurance").  
36

37 7.4 Enforcement of Governing Documents. The Board shall enforce the Governing  
38 Documents on its own initiative or upon receipt of written complaint from an  
39 Owner or a Resident, in accordance with the procedures set forth in **Article 14 of**  
40 **the Declaration** ("Enforcement; Notice; Hearings").  
41

42 7.5 Annual Budget Report. In accordance with *Civil Code* section 5300(a), the  
43 Association shall distribute an annual budget report, not less than thirty (30) days  
44 and not more than ninety (90) days prior to the end of the Association's fiscal  
45 year. The annual budget report shall conform to the requirements of *Civil Code*

1 section 5300(b) and (e) and section 5550 concerning the following and any other  
2 matters as may be required by law:

3  
4 7.5.1 Pro Forma Operating Budget. A “pro forma operating budget” showing  
5 the estimated revenue and expenses on an accrual basis;

6  
7 7.5.2 Reserves Summary. A summary of the Association’s reserves,  
8 prepared in accordance with *Civil Code* section 5565;

9  
10 7.5.3 Reserves Funding Plan. A summary of the reserve funding plan  
11 adopted by the Board in accordance with *Civil Code* section  
12 5550(b)(5). The summary shall include notice to Members that the full  
13 reserve study is available on request, and the Association shall provide  
14 the full reserve funding plan to any Member upon request;

15  
16 7.5.4 Statement of Deferred Repairs. A statement as to whether the Board  
17 has determined to defer repairs or replacement of any major  
18 component with a remaining life of thirty (30) years or less, including a  
19 justification for decision not to make repairs or replacement;

20  
21 7.5.5 Statement of Anticipated Special Assessments. A statement,  
22 consistent with the reserves funding plan, as to whether the Board has  
23 determined that one (1) or more Special Assessments will be required  
24 to repair, replace or restore any major component or to provide for  
25 adequate reserves for such repair, replacement or restoration. The  
26 statement shall set out the estimated amount, commencement date  
27 and duration of the assessment, if anticipated;

28  
29 7.5.6 Statement of Reserve Calculations. A general statement addressing  
30 the procedures used for the calculation and establishment of those  
31 reserves to defray the future repair, replacement, or additions to those  
32 major components that the Association is obligated to maintain. The  
33 statement shall include, but need not be limited to, reserve calculations  
34 made using the formula described in *Civil Code* section 5570(b)(4),  
35 and may not assume a rate of return on cash reserves in excess of  
36 two percent (2%) above the discount rate published by the Federal  
37 Reserve Bank of San Francisco at the time the calculation was made;

38  
39 7.5.7 Statement of Outstanding Loans. A statement as to whether the  
40 Association has any outstanding loans with an original term of more  
41 than one (1) year, including the payee, interest rate, amount  
42 outstanding, annual payment, and when the loan is scheduled to be  
43 retired;

44  
45 7.5.8 Summary of Association’s Insurance Policies. A summary of the  
46 Association’s property, general liability, earthquake, flood, and fidelity

1 insurance policies; and for each policy, the summary shall include the  
2 name of the insurer, the type of insurance, the policy limit, and the  
3 amount of the deductible, if any. To the extent that any of the required  
4 information is specified in the insurance policy declaration page, the  
5 Association may meet its obligation to disclose that information by  
6 making copies of that page and distributing it with the annual budget  
7 report. The summary distributed pursuant to this paragraph shall  
8 contain, in at least 10-point boldface type, the following statement:  
9

10 “This summary of the association’s policies of insurance provides only  
11 certain information, as required by Section 5300 of the Civil Code, and  
12 should not be considered a substitute for the complete policy terms and  
13 conditions contained in the actual policies of insurance. Any  
14 association member may, upon request and provision of reasonable  
15 notice, review the association’s insurance policies and, upon request  
16 and payment of reasonable duplication charges, obtain copies of those  
17 policies. Although the association maintains the policies of insurance  
18 specified in this summary, the association’s policies of insurance may  
19 not cover your property, including personal property or real property  
20 improvements to or around your dwelling, or personal injuries or other  
21 losses that occur within or around your dwelling. Even if a loss is  
22 covered, you may nevertheless be responsible for paying all or a  
23 portion of any deductible that applies. Association members should  
24 consult with their individual insurance broker or agent for appropriate  
25 additional coverage.”  
26

27 7.6 Disclosure of Intent to Use Development Funds for Capital Improvements. In  
28 addition to the disclosures required by Section 7.5 (“Annual Budget Report”) the  
29 Annula Budget Report shall contain a general statement as to whether the Board  
30 intends to use Development Funds for a capital improvement project or a part of  
31 a capital improvement project as defined in the Section 1.22 of the Declaration.  
32

33 7.7 Notice of Certain Changes in Insurance. In accordance with *Civil Code* section  
34 5810, as soon as reasonably practicable, the Association shall provide Individual  
35 Notice, to all Members if any of the policies described in Section 7.5.8  
36 (“Summary of Association’s Insurance Policies”) have lapsed or been canceled,  
37 and are not immediately renewed, restored, or replaced, or if there is a significant  
38 change, such as a reduction in coverage or limits or an increase in the deductible  
39 for any of those policies. If the Association receives any notice of non-renewal of  
40 a policy described in Section 7.5.8 and replacement coverage will not be in effect  
41 by the date the existing coverage will lapse, the Association shall immediately  
42 provide Individual Notice thereof to the Members.  
43

44 7.8 Annual Policy Statement; Notifications to Members. In accordance with *Civil*  
45 *Code* section 5310(a)(1) through (12), not less than thirty (30) days and not more  
46 than ninety (90) days before the end of the fiscal year, the Board shall distribute

1 to the Members an Annual Policy Statement which shall include all of the  
2 following:

3  
4 7.8.1 Official Communications to Association. A statement notifying the  
5 Members of the name and address of the person designated to receive  
6 official communications to the Association, in the manner prescribed by  
7 *Civil Code* section 4035;

8  
9 7.8.2 Secondary Address for Certain Notices. A statement notifying the  
10 Members of an Owner's right to submit to the Association, in  
11 accordance with *Civil Code* section 5260(b), a request to have notices  
12 sent to up to two (2) different addresses pursuant to *Civil Code* section  
13 4040(b) (concerning annual reports, enforcement of delinquent  
14 Assessments, sale by trustee);

15  
16 7.8.3 Location Designated for Posting General Notices. A statement  
17 notifying the Members of the location, if any, designated for posting  
18 General Notice;

19  
20 7.8.4 Option to Receive General Notices by Individual Delivery. A statement  
21 notifying the Members of their option to receive General Notices by  
22 Individual Delivery in accordance with *Civil Code* section 4045;

23  
24 7.8.5 Notice of Members' Right to Receive Meeting Minutes. A statement  
25 notifying the Members of their right to receive meeting minutes in  
26 accordance with *Civil Code* section 4950(b);

27  
28 7.8.6 Notice of Assessment Collection Policy. A statement describing the  
29 Regular Assessment and any Special Assessment levied against the  
30 Lots and Units for that fiscal year and the Association's collection  
31 policies as required by *Civil Code* section 5730;

32  
33 7.8.7 Notice Regarding Liens and Foreclosure. The statement required by  
34 *Civil Code* section 5730(a) printed in at least 12-point type.

35  
36 7.8.8 Notice of Discipline Policy. A statement describing the Association's  
37 discipline policy, if any, including any schedule of penalties for  
38 violations of the Governing Documents pursuant to *Civil Code* section  
39 5850;

40  
41 7.8.9 Notice of Dispute Resolution Procedures. A summary of the statutory  
42 provisions relating to employing internal dispute resolution procedures  
43 and alternative dispute resolution procedures in certain matters related  
44 to enforcement of the governing documents which specifically  
45 references *Civil Code* sections 5920 and 5965. The summary of the  
46 Association's internal dispute resolution procedure may consist of a

1 copy of Section 14.9 of the Declaration (“Investigation of Complaints”) through Section 14.16 of the Declaration (“Internal Dispute Resolution”). The summary of the statutory provisions relating to employing alternative dispute resolution procedures in certain matters related to enforcement of the governing documents may consist of a copy of Section 14.17 of the Declaration (“Alternative Dispute Resolution Before Initiating Lawsuit”) through Section 14.19 of the Declaration (“Costs and Attorney Fees”);

2  
3  
4  
5  
6  
7  
8  
9  
10 7.8.10 Notice of Required Architectural Approval. A notice of the requirement for Association approval of physical changes to property, as required by *Civil Code* section 4765 describing the types of changes that require Association approval and including a copy of the procedure for review and approval or disapproval which may consist of a copy of Article 9 of the Declaration (“Architectural Approval”) and a copy of the Architectural Rules, if any;

11  
12  
13  
14  
15  
16  
17  
18 7.8.11 Mailing Address for Overnight Payment of Assessments. A statement notifying the Members of the mailing address for overnight payment of assessment in accordance with *Civil Code* section 5655(c);

19  
20  
21  
22 7.8.12 Other Required Information. A statement notifying the Members of other information required by law, or by the Governing Documents, or that the Board determines in its sole judgment to be appropriate for inclusion in the Annual Policy Statement.

23  
24  
25  
26  
27 7.9 Items Specified in *Civil Code* section 4525(a). To the extent required by *Civil Code* section 4530(a), the Board shall provide or cause to be provided to a requesting Owner, within ten (10) days of a written request therefor, the items specified in *Civil Code* section 4525(a), or any of them.

28  
29  
30  
31  
32 7.10 Audit of Annual Financial Statement. For any fiscal year in which the gross income to the Association exceeds Seventy-five Thousand Dollars (\$75,000.00), the Board shall obtain an audit of the financial statements of the Association prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy and shall distribute it to all Members of the Association within one hundred twenty (120) days after the close of such fiscal year by Individual Delivery.

33  
34  
35  
36  
37  
38  
39 7.11 Quarterly Review of Accounts. The Board shall review the Association’s operating and reserve accounts at least in accordance with the minimum requirements set forth in *Civil Code* section 5500, as follows:

40  
41  
42  
43  
44 (a) Review a current reconciliation of the Association’s operating accounts on at least a quarterly basis;

- 1 (b) Review a current reconciliation of the Association’s reserve accounts on at  
2 least a quarterly basis;  
3  
4 (c) Review, on at least a quarterly basis, the current year’s actual reserve  
5 revenues and expenses compared to the current year’s budget;  
6  
7 (d) Review the latest account statements prepared by the financial institutions  
8 where the Association keeps its operating and reserve accounts; and  
9  
10 (e) Review an income and expense statement for the Association’s operating  
11 and reserve accounts on at least a quarterly basis.  
12

13 As used in this **Section 7.11**, the term “reserve accounts” shall have the  
14 meaning set forth in *Civil Code* section 4177.  
15

16 7.12 Biennial Notice to Secretary of State. The Board shall file with the Secretary of  
17 State the biennial (every two years) statement of names of officers and of agent  
18 for service of process required pursuant to *Corporations Code* section 8210 and  
19 the statement required by *Civil Code* section 5405(a).  
20

21 7.13 Three-Year Reserve Study and Annual Review. In accordance with *Civil Code*  
22 section 5550, at least once every three (3) years, the Board shall cause a study  
23 of the reserve account requirements of the Development to be conducted, which  
24 study shall include the minimum requirements specified in *Civil Code* section  
25 5550(b) or successor statute. The Board shall review the reserve study annually  
26 and shall consider and implement necessary adjustments to the Board’s analysis  
27 of the reserve account requirements as a result of that review.  
28

29 7.14 Prudent Management of Reserve Funds. The Board shall exercise prudent fiscal  
30 management in maintaining the integrity of the reserve account and, to the extent  
31 restricted by *Civil Code* section 5510(b), shall not expend funds designated as  
32 reserve funds for any purpose other than the maintenance, restoration, repair, or  
33 replacement of, or litigation involving the maintenance, restoration, repair, or  
34 replacement of, major components for which the Association is responsible and  
35 for which the reserve fund was established; *provided, however*, that the Board  
36 may authorize a temporary transfer of money from a reserve fund to the  
37 Association’s general operating fund for the purposes and subject to the  
38 procedural requirements specified in *Civil Code* section 5520.  
39  
40

## 41 **ARTICLE 8 POWERS OF THE BOARD OF DIRECTORS**

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42  
43 The Board of Directors shall have such powers as may be provided by law or  
44 expressly set forth in the Governing Documents. Without limiting the generality  
45 of the foregoing, the Board shall have the powers specified in this **Article 8**,



1 subject to any limitations or conditions as may be set forth in the Articles, the  
2 Bylaws, or the Declaration.

3  
4 8.1 Make Contracts. The Board shall have the power to authorize any officer or  
5 officers to enter into any contract in the name of, or on behalf of, the Association.

6  
7 8.2 Consult Professional Advisors. The Board shall have the power to consult with,  
8 seek the advice of, and reasonably rely on the advice of attorneys, accountants,  
9 and other professionals in carrying out the Board's authority and responsibility  
10 under the Governing Documents and the law, and to pay for such professional  
11 services.

12  
13 8.3 Hire a General Manager and Others. The Board shall have the power to engage  
14 the services of a manager or management company as either an employee or an  
15 independent contractor to manage the affairs of the Association and, to the  
16 extent not inconsistent with these Bylaws or with the laws of the State California,  
17 the Board may delegate to the general manager any of its day-to-day  
18 management and maintenance duties and powers under these Bylaws and the  
19 Declaration, provided that the general manager shall at all times remain subject  
20 to the general control of the Board. The Board shall have the power to engage  
21 such other employees or independent contractors as the Board may deem  
22 necessary, and to prescribe their duties.

23  
24 8.4 Adopt and Enforce Rules. Subject to applicable law, including *Civil Code*  
25 sections 4340 through 4370 (regarding procedures for adopting or changing  
26 certain rules), the Board shall have the power to adopt, publish, amend, repeal,  
27 and enforce Rules.

28  
29 8.5 Collect Assessments by Foreclosure and/or Legal Action. As addressed in the  
30 Declaration, the Board shall have the power to collect Assessments levied by the  
31 Association by foreclosing the lien against any property for which Assessments  
32 are not paid as required by the Declaration and/or by bringing an action at law  
33 against the Owner personally obligated to pay the same.

34  
35 8.6 Impose Sanctions. Upon an explicit finding and for reasons specified by the  
36 Board following a hearing conducted in accordance with **Article 14 of the**  
37 **Declaration** ("Enforcement; Notice; Hearings"), the Board shall have the power to  
38 impose sanctions on a Member who is in default in the payment of any  
39 Assessment or other charge levied by the Board or is found to be in violation of  
40 any provision of the Governing Documents. Sanctions may include loss of good  
41 standing, suspension of other rights, and/or monetary penalties (fines), as  
42 described in **Section 14.8 of the Declaration** ("Imposing Sanctions").

43  
44 8.7 Pay Property Taxes. The Board shall have the power to pay all real property  
45 taxes and assessments levied upon any property within the Development to the  
46 extent not separately assessed to the Owners. Provided that any such taxes are



1 paid or that a bond insuring the payment is posted, such taxes and assessments  
2 may be contested or compromised by the Association prior to the sale or other  
3 disposition of any property to satisfy the payment of such taxes.  
4

5 8.8 Deal with Association's Property; Certain Limitations. The Board shall have the  
6 power to acquire and deal with real and personal property of the Association,  
7 subject to any applicable limitations set forth in the Governing Documents,  
8 including Section 3.9 of the Declaration ("Transfer or Sale of Association's  
9 Property"), Section 3.10 of the Declaration ("New Capital Improvements"), and  
10 Section 3.11 of the Declaration ("Mortgage Association's Property").  
11

12 8.9 Open Bank Accounts; Borrow. The Board shall have the power to open bank  
13 accounts, designate signatories upon such bank accounts (subject to the  
14 requirements of Section 10.4 ("Checks, Drafts, and Evidences of Indebtedness")  
15 concerning withdrawal of reserve account funds), and with the approval of a  
16 Majority of the Total Voting Power of the Association and subject to any  
17 applicable provisions of Section 3.9 of the Declaration ("Transfer or Sale of  
18 Association's Property"), Section 3.10 of the Declaration ("New Capital  
19 Improvements"), and Section 3.11 of the Declaration ("Mortgage Association's  
20 Property"), borrow money on behalf of the Association for any Association  
21 purpose, other than routine credit transactions which are ordinarily incurred in the  
22 course of the Association's monthly operations.  
23

24 8.10 Pledge Assessments As Security. The Board shall have the power to assign or  
25 pledge Assessments of the Association as security for a loan, provided that such  
26 assignment or pledge is made to a financial institution or lender chartered or  
27 licensed under federal or state law to the extent required by *Civil Code* section  
28 5735; and *provided, further*, that approval of the Members shall be required if  
29 such assignment or pledge is in conjunction with an increase in the Regular  
30 Assessment or the imposition of a Special Assessment that by law requires  
31 approval of the Members, and such Member approval shall be the same as the  
32 Member approval required for such increase in the Regular Assessment or  
33 imposition of a Special Assessment.  
34

35 8.11 Invest Reserve Funds. The Board shall have the power to manage and invest  
36 Association reserve funds in prudent investments, provided it does so in a  
37 prudent manner designed to achieve the primary objective of preserving principal  
38 while realizing a reasonable return and to assure the availability of funds as they  
39 are needed based upon the Board's most recent review of the reserve fund study  
40 obtained by the Board as required in Section 7.13 ("Three-Year Reserve Study  
41 and Annual Review") and applicable law.  
42

43 8.12 Indemnify Agents. To the extent provided in *Corporations Code* section 7237,  
44 the Board on behalf of the Association shall have the power to and shall  
45 indemnify and hold harmless, to the maximum extent permitted by California law,  
46 each person who is or at any time was a director, officer, employee, or agent of

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

8 8.13 Appoint Committees. The Board may appoint an Architectural Committee, as  
9 provided in the Declaration, an Election Committee, as provided in these Bylaws,  
10 a Finance Committee, a Tahoe Donner Giving Committee, a General Planning  
11 Committee, and a Covenants Committee, and such other committees as it  
12 deems appropriate in carrying out the powers and purposes of the Association  
13 under the supervision of the Board. Any "Committee of the Board" (that is, a  
14 committee consisting only of directors, as referred to in *Corporations Code*  
15 section 7212) shall consist of at least two (2) directors and shall have such  
16 powers and duties as the Board shall determine, subject to the limitations of  
17 *Corporations Code* section 7212. As provided in *Corporations Code* section  
18 7212(b), a committee exercising the authority of the Board shall not include as  
19 members any persons who are not directors. All committees and committee  
20 members shall serve at the pleasure of the Board. Upon resolution of the Board  
21 any officer may be reimbursed for his or her expenses actually incurred in the  
22 performance of his or her duties.  
23

24 8.14 Other Powers and Duties. The Board shall have the power to exercise for the  
25 Association all powers, duties, and authority vested in or delegated to the  
26 Association and not reserved to the Members by other provisions of the  
27 Governing Documents, and undertake any action on behalf of the Association as  
28 the Board shall deem necessary or proper in furtherance of the purposes and  
29 powers of the Association and/or the interests of the Association and its  
30 Members.  
31  
32

## 33 **ARTICLE 9 OFFICERS AND THEIR DUTIES**

---

34  
35 9.1 Enumeration of Principal Officers. The principal officers of this Association shall  
36 be a President, a Vice-President, a Secretary, and a Treasurer, who shall at all  
37 times be members of the Board of Directors. The Board may, from time to time,  
38 by resolution appoint other officers as the Board may determine, as provided in  
39 **Section 9.4** ("Special Appointments").  
40

41 9.2 Appointment of Principal Officers. The appointment of the principal officers shall  
42 take place at the first meeting of the Board following each annual election of  
43 directors.  
44

1 9.3 Term. The principal officers of this Association shall be appointed annually by  
2 the Board, and each shall hold office for one (1) year, unless he or she shall  
3 sooner resign, be removed by the Board, or otherwise be disqualified to serve.  
4

5 9.4 Special Appointments. The Board may appoint such other officers as the affairs  
6 of the Association may require (for example, one or more assistant vice  
7 presidents or assistant secretaries or assistant treasurers), each of whom shall  
8 hold office for such period, have such authority, and perform such duties as the  
9 Board may, from time to time, determine. Officers appointed pursuant to this  
10 Section 9.4 need not be members of the Board or Members of the Association.  
11

12 9.5 Resignation and Removal. Any officer may be removed from office, with or  
13 without cause, by the Board. Any officer may resign at any time by giving written  
14 notice to the Board, the President, or the Secretary. Such resignation shall take  
15 effect on the date of receipt of such notice or at any later time specified therein  
16 and, unless otherwise specified therein, the acceptance of such resignation shall  
17 not be necessary to make it effective.  
18

19 9.6 Vacancies. A vacancy in any office may be filled by appointment by the Board.  
20 The officer appointed to such vacancy shall serve for the remainder of the term of  
21 the officer he or she replaces, subject to the Board's right to remove an officer.  
22

23 9.7 Multiple Offices. One person may hold two (2) or more offices except that neither  
24 the Secretary or any assistant secretary nor the Treasurer or any assistant  
25 treasurer may serve concurrently as President. This provision is intended to  
26 prohibit a single individual from having apparent authority to bind the Association  
27 by virtue of holding both offices, pursuant to *Corporations Code* section 7214.  
28

29 9.8 Authority to Bind Association. Unless expressly authorized by resolution of the  
30 Board, no officer shall have any power or authority to bind the Association or to  
31 render the Association liable for any purpose or on any account.  
32

33 9.9 No Compensation of Officers. No officer shall receive compensation for any  
34 service he or she may render to the Association as an officer. However, upon  
35 resolution of the Board any officer may be reimbursed for his or her expenses  
36 actually incurred in the performance of his or her duties.  
37

38 9.10 President. The President shall be the chief executive officer of the Association  
39 and shall, subject to control of the Board of Directors, have general supervision,  
40 direction, and control of the affairs of the Association and of the other officers and  
41 the employees and agents of the Association. The President shall preside at all  
42 meetings of the Members and at all meetings of the Board, shall have the  
43 general powers and duties of management usually vested in the office of the  
44 President of an Association, and shall have such other powers and duties as may  
45 be prescribed by the Board of Directors and the Bylaws, subject, however, to any  
46 limitations contained in the Declaration.

1  
2 9.11 Vice-President. In the absence or disability of the President, the Vice-President  
3 shall perform all the duties of the President, and when so acting, shall have all of  
4 the powers of, and be subject to all of the restrictions upon, the President  
5 including the restriction on holding multiple offices as set forth in **Section 9.7**  
6 (“Multiple Offices”). The Vice-President shall have such other powers and  
7 perform such other duties as, from time to time, may be prescribed by the Board  
8 of Directors. In the absence or disability of both the President and the Vice-  
9 President, or if there is not a Vice President in office, the Board shall designate  
10 another director to preside at a meeting of the Board or of the Members.  
11

12 9.12 Secretary. The Secretary shall keep or cause to be kept, at the principal office or  
13 such other place as the Board of Directors may prescribe, a book of minutes of  
14 all meetings of directors and Committees of the Board, all meetings of any other  
15 committee appointed by the Board that has decision-making authority, and all  
16 meetings and votes of Members. The Secretary shall give, or cause to be given,  
17 notice of all meetings of the Members and of the Board of Directors required by  
18 the Bylaws or by law to be given and shall maintain a proper record of the giving  
19 of such notice; shall keep or cause to be kept in safe custody the books, records,  
20 and documents of the Association; and shall have such other powers and  
21 perform such other duties as may be prescribed by the Board of Directors or the  
22 Bylaws.  
23

24 9.13 Treasurer. The Treasurer shall be responsible for the receipt and deposit in  
25 appropriate accounts of all monies of the Association and shall cause  
26 disbursement of such funds as directed by resolution of the Board of Directors;  
27 may sign all checks and promissory notes of the Association; shall keep or cause  
28 to be kept proper books of account; shall cause an annual audit of the  
29 Association’s books and financial statements to be made by a public accountant  
30 at the completion of any fiscal year for which such review is required by law or as  
31 determined by the Board; shall assist the Board in preparation of an annual  
32 budget and a statement of income and expenditures to be presented to the  
33 Members of the Association as provided by law; and shall have such other  
34 powers and perform such other duties as may be prescribed by the Board of  
35 Directors.  
36  
37

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

40 10.1 Minutes of Meetings. To the extent required by *Corporations Code* section  
41 8320(a)(2), the Association shall keep minutes of meetings and proceedings of  
42 the Members (including membership votes), meetings of the Board and  
43 Committees of the Board, and meetings of any other committee appointed by the  
44 Board that has decision-making authority. As provided in **Section 6.14** (“Minutes  
45 of Meetings of Directors”), any matter discussed in executive session shall be  
46 generally noted in the minutes of the next following open meeting of the Board,

1 and minutes of executive sessions shall not otherwise be required. Minutes shall  
2 set forth the time and place of holding of such meetings; whether regular or  
3 special, and if special, how authorized; what notice was given; the names of  
4 those present at meetings of the directors or of any Committee of the Board or of  
5 any other committee appointed by the Board that has decision-making authority;  
6 the number of votes cast in any vote or election of the membership (or, if  
7 applicable, the number of memberships and votes present at Member meetings);  
8 and all the proceedings thereof.  
9

10 10.2 Members' Access to Minutes, Books, and Records. To the extent required by  
11 *Civil Code* sections 5205 and 5210, and subject to a requesting Member's  
12 compliance with all applicable prerequisites and any applicable limitations  
13 (including but not limited to *Corporations Code* section 8332 concerning  
14 protection of constitutional rights of other Members, *Corporations Code* section  
15 8338 concerning use of memberships lists, and *Civil Code* section 5215  
16 concerning withholding or redacting certain records), the Association shall make  
17 available for inspection and copying by any Member "Association records" and  
18 "enhanced Association records" (as defined in *Civil Code* section 5200)  
19 maintained by the Association. This provision does not require the Association to  
20 create or maintain any records not otherwise required by law to be maintained.  
21 The Board may adopt and publish reasonable rules and regulations establishing  
22 procedures relating to a Member's inspection and obtaining copies of Association  
23 records, consistent with the provisions of *Civil Code* section 5205.  
24

25 10.3 Directors' Inspection Rights. As provided in *Corporations Code* section 8334,  
26 every director shall have the right at any reasonable time to inspect and copy all  
27 books, records, and documents and to inspect the physical properties of the  
28 Association.  
29

30 10.4 Checks, Drafts, and Evidences of Indebtedness. All checks, drafts, or other  
31 orders for payment of money, or notes or other evidences of indebtedness issued  
32 in the name of the Association for operational expenditures shall be signed  
33 pursuant to resolution of the Board. However, in accordance with *Civil Code*  
34 section 5510(a), the withdrawal of funds from the Association's reserve account  
35 shall require the signatures of at least two (2) persons who shall be members of  
36 the Board of Directors or one (1) member of the Board of Directors and one (1)  
37 officer who is not a member of the Board of Directors.  
38

39 10.5 Funds and Deposits. Any funds of the Association shall be deposited to the  
40 credit of the Association in such banks or other depositories as the Board of  
41 Directors shall, from time to time, determine.  
42

43 10.6 Fiscal Year. The fiscal year of the Association shall be January 1 to December  
44 31.  
45  
46

1  
2 **ARTICLE 11            AMENDMENTS**  
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- 4 11.1 Amendments Generally. These Bylaws may be amended by approval of the  
5 Board and the affirmative vote of a Majority of a Quorum of the Members;  
6 *provided, however,* that, upon advice of legal counsel licensed to practice law in  
7 the State of California, including the drafting by legal counsel of appropriate  
8 amendatory provisions, the Board shall have the authority without the  
9 requirement of Member approval to amend any provision of the Bylaws: (i) to  
10 resolve any conflict between the Bylaws and applicable law which may arise due  
11 to the enactment or amendment of a statute or due to a development in  
12 applicable case law or (ii) to conform the provisions of the Bylaws to changes in  
13 applicable statutory law that impose requirements that are non-discretionary.  
14
- 15 11.2 Record of Amendments. When an amendment or a new Bylaw provision is  
16 adopted, it shall be placed in the appropriate place in the minute book of the  
17 Association together with a certificate signed by the Secretary stating the date on  
18 which it was approved by the Board and whether at a meeting or by unanimous  
19 written consent of the directors, and the date on which it was approved by the  
20 Members.  
21

22  
23 **ARTICLE 12            MISCELLANEOUS**  
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- 25 12.1 Conflict in Governing Documents. In the case of any conflict between the  
26 Articles of Incorporation and these Bylaws, the Articles shall control; and in the  
27 case of any conflict between the Declaration and these Bylaws, the Declaration  
28 shall control.  
29
- 30 12.2 Amendments to Referenced Statutes; Time for Performance. References in the  
31 Bylaws to particular statutes, including sections of the *Civil Code* or the  
32 *Corporations Code*, shall be deemed to include any successor statute and any  
33 amendments to existing or successor statutes. Whenever these Bylaws state a  
34 time for the performance of any act by the Association which by law (as it may  
35 exist from time to time) must be performed at or within a specified time, the time  
36 for the performance of such act shall be deemed to be the widest timeframe  
37 permitted under then-applicable law.