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ARTICLES OF INCORPORATION & BYLAWS



AS AMENDED NOVEMBER, 1991; SEPTEMBER, 1992

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INFORMATIONAL NOTICE

This booklet is produced for the members of the Oakmont Village Association. It is the sincere desire of the Board of Directors that each person who is a member of the Association, either by virtue of land title or by residence in Oakmont, will take the time to study the Articles of Incorporation and the By-Laws contained herein.

The By-Laws are intended to conform to the Calif. Non Profit Corporation Law especially Part 3, Non Profit Mutual Benefit Corporations; other State and Federal Statutes affecting the corporation, the Protective Restrictions for Oakmont Standard and Condominium subdivisions (C.C. & R.s) and the Articles of Incorporation.

Each person/s who purchased an interest in property within Oakmont was given a copy of the Protective Restrictions applying to his form of ownership and a copy of the Articles and By-Laws which are the governing documents for the Oakmont community. These should be carefully preserved and studied.

From time to time the Calif. Legislature has enacted law which changed or has overridden some provisions of the above listed governing documents such as:

In 1987, portions of the Davis-Sterling Common Interest Development Act were amended. Civil Code #1366 (b) now provides that

"Notwithstanding more restrictive limitations placed on the board by the governing documents, the board of directors may not impose a regular assessment that is more than 20 percent greater than the regular assessment for association's preceding fiscal year or impose special assessment which in the aggregate exceed 5 percent of the budgeted gross expenses of the association for that fiscal year without the approval of owners, constituting a quorum, casting a majority of the votes at a meeting or election of the Association... For the purposes of this section Quorum means more than 50% of the owners of an Association."

The governing documents of the Association are consistent with various Department of Real Estate regulations, such as:

If a residential subdivision interest is owned by more than one person, each such person shall be a member of the Association but there shall be no more than one vote for each residential subdivision interest. Calif. Ad. Code, Title 10 Sec. 2792.18

Endorsed and Filed in the Office of the Secretary of State of California, April 24, 1964. #469552

**ARTICLES OF INCORPORATION
OF
OAKMONT VILLAGE ASSOCIATION**

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, all of whom are citizens and residents of the United States of America, have this day voluntarily associated ourselves together for the purpose of forming a corporation under the General NonProfit Corporation Law of the State of California, and we do hereby create a body corporate and certify:

First: That the name of this corporation is:

OAKMONT VILLAGE ASSOCIATION

Second: the corporation's purposes are:

(a) The specific and primary purpose for which this corporation is formed is to provide athletic and recreational and club facilities for the use of the members of the corporation and their guests.

(b) To buy, sell, lease, hold and enjoy all types of real and personal property necessary and/or convenient for the uses and purpose for which this corporation is formed, and in connection therewith, to borrow money, and to mortgage, pledge, or otherwise hypothecate the property belonging to the corporation.

(c) To enter into contracts and to do all other acts necessary or expedient for the administration of the affairs and the attainment of the purposes of this corporation.

(d) To have and to exercise all rights, and powers from time to time granted to corporations by law which are not inconsistent with the General Non-Profit Corporation Law of the State of California.

The above purposes and clauses shall not be limited by reference to or by inference from one another, but each such clause shall be construed as a separate statement, conferring independent purposes and powers upon the corporation.

Third: This corporation is organized pursuant to the General NonProfit Corporation Law of the State of California. This corporation does not contemplate the distribution of gains, profits or dividends to its members. The property of this corporation now owned or hereafter acquired is irrevocably dedicated to the purpose of the corporation. Neither the property of the corporation nor any income derived therefrom, or from the activities of the corporation or otherwise acquired by it shall at any time inure to or be distributed to or for the benefit of any officer, director or member of this corporation.

Fourth: No part of the activities of this corporation shall consist in carrying on propaganda or otherwise attempting to influence legislation.

Fifth: That the county in this state where the principal office for the transaction of business of this corporation is to be located is Sonoma County.

Sixth: (a) The number of directors of this corporation shall be seven (7).

(b) The names and address of the persons who are appointed to act as first directors are:

H. N. Berger 2655 Lombardy Road, San Marino, California

Frances C. Berger 2655 Lombardy Road, San Marino, California

A. J. Bergh 911 Panorama Drive, Arcadia, California

Seventh: The authorized number and qualification of members of this corporation, the different classes of membership, if any, the property voting, and other rights and privileges of each class of membership, and the liabilities of each or all classes for dues and assessments, and the method of collection thereof, shall be set forth in the by-laws of this corporation.

Eighth: This corporation is authorized on a non-stock basis, and shall not have the power to issue capital stock.

Ninth: This corporation shall have the power to levy assessments and charges against its members for the purpose of raising funds with which to accomplish the corporation's purposes. Said levys and assessments shall be made and used as provided in the by-laws of this corporation.

IN WITNESS WHEREOF, the persons who are named above as first directors of this corporation have executed these Articles of Incorporation this 6th day of October 1963.

/s/ H. N. BERGER

/s/ FRANCES C. BERGER

/s/ A. J. BERGH

BY-LAWS OF OAKMONT VILLAGE ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of this corporation is Oakmont Village Association, hereafter referred to as the "Association". The principal office of the Association shall be located at the community known as "Oakmont" as the same shall be designated from time to time in the Official Records of Sonoma County, California.

ARTICLE II

MEMBERSHIP, DUES AND ASSESSMENTS

2.1 Membership Rights and Obligations. There shall be only one class of membership in the Association and the rights, privileges and obligations of all members shall be as is provided for in these By Laws.

2.2 Qualification for membership. Membership in the Association shall be composed of all persons who shall:

2.21 Hold legal title to, or be a beneficial owner of, a residential unit within Oakmont, or in any tract of land which shall become a part of the development known as "Oakmont" and /or the owners of which shall become entitled to membership in this association pursuant to agreement entered into between this association and the developer of said tract of land provided, however, that no person, firm or corporation acquiring title to any part of said property as security for the payment of money or for the performance of any other obligation shall thereby become entitled to membership.

2.22 Be a purchaser under a contract or agreement for the purchase of a residential unit within Oakmont, as described in (2.21) above, under the terms of which said purchaser is entitled to possession; provided, however, that in such instance the holder of legal title to the residential unit shall not be qualified for membership.

2.23 Be a lessee under a lease entitling possession of an apartment unit in Oakmont Gardens.

2.3 Assignment of Privilege Rights to Lessee. A member having the privilege of use of all common areas and recreational facilities of the Association may transfer or assign that privilege to a lessee who, under a lease, is entitled to possession of the member's residential unit for a period of more than thirty (30) days, subject to the following conditions:

2.31 The lessor shall have formally assigned to the lessee all of the lessor's membership privileges relating to the use and enjoyment of the Association's

common areas and recreational facilities, which assignment, in a form acceptable to the Association, is filed with its Secretary and,

2.32 For so long as such assignment is in effect, the lessor shall not be entitled to exercise the privileges so assigned.

2.4 Certification of Membership. The records of the Secretary of the Association showing that a person is a member thereof shall be conclusive with respect to exercise by said person of the rights, privileges and obligations of membership.

2.41 The Board of Directors shall provide for the issuance to members of appropriate evidence of membership in the Association.

2.5 Termination of Membership. A membership in the Association based on ownership of a residential unit within Oakmont shall terminate when the member's title is conveyed or transferred by written instrument or by operation of law.

2.51 A membership in the Association based on a leasehold in a residential unit or an apartment in Oakmont Gardens shall terminate upon expiration of the lease.

2.6 Dues and Assessments. The members of the Association shall be liable for payment of such Regular Dues (referred to as general charges and assessments in 2.61), Special Assessments and Special Charges as may from time to time be fixed and levied by the Board of Directors.

2.61 *The general charges and assessments levied against each dwelling unit shall be based upon the number of persons residing in each such dwelling unit. Such general charges and assessments shall not be less than One Dollar (\$1.00) per month, per person, and shall not be more than Ten Dollars (\$10.00) per month, per person, except upon the vote of written assent of two-thirds (2/3) of the members of this association,. Provided, however, that vacant dwellings shall be assessed as if they had one (1) occupant.

2.62 Special Assessments may be fixed and levied by the Board of Directors for rebuilding or major repairs of common facilities or expansion of such facilities as deemed by the Board to be in the best interests of the community.

2.63 Special Charges may be fixed and levied by the Board of Directors only for those purposes set forth in the Declaration of Protective Restrictions (C.C. & R.s) applicable to the dwelling unit against which such Special Charges are assessed.

2.64 Notwithstanding anything to the contrary in the foregoing paragraphs, a member who is the legal or beneficial owner of a residential unit within Oakmont and who, as lessor thereof, has assigned his membership privileges to a lessee or lessees pursuant to 2.3 of the By Laws, shall be and remain liable for

payment of Regular Dues, Special Assessments and Charges in the event the lessees residing in his residential unit fail to pay the same when due.

*** California Civil Code section 1366 (b) provides:**

“Notwithstanding more restrictive limitations placed on the board by the governing documents, the board of directors may not impose a regular assessment that is more than 20 percent greater than the regular assessment for the association’s preceding fiscal year or impose special assessments which in the aggregate exceed 5 percent of the budgeted gross expenses of the association for that fiscal year without the approval of owners, constituting a quorum, casting a majority of the votes at a meeting or election of the association conducted in accordance with Chapter 5 (commencing with Section 7510) of Part 3 of Division 2 of Title 1 of the Corporations Code and Section 7613 of the Corporations Code. For the purposes of this section, quorum means more than 50 percent of the owners of an association. This section does not limit assessment increases for emergency situations.”

2.7 Payment and collection of Regular Dues, Special Assessments and Special Charges. Any Regular Dues or Special Assessment shall be due and payable thirty (30) days after it has been fixed and levied by the Board of Directors after which, if not paid or otherwise satisfied, it shall be delinquent. Special Charges shall be due and payable in full on the first day of the second calendar month after the date the same was fixed and levied by the Board of Directors.

2.71 At any time after any Regular Dues, or Special Assessments, or Special Charges against any residential unit or apartment has become delinquent, the Association may record a Notice of Delinquency, signed by an officer thereof, which notice shall state the fact of delinquency and the amount thereof, together with interest, costs (including attorney fees) and penalties which have accrued thereon. It shall also describe the residential unit against which the same was assessed and the name of the record or reputed owner thereof.

2.72 Upon the recordation of a Notice of Delinquency pursuant hereto, the amount of the delinquency therein set forth and the interest, costs and penalties accrued, and accruing thereon, shall be and constitute a lien on the residential unit therein described, which lien shall continue until the principal amount of the delinquency, together with all interest, costs and penalties has been fully paid or otherwise satisfied or until said lien has been foreclosed as herein provided for.

2.73 Any lien created pursuant to the provisions of the foregoing subsection (2.72) may be foreclosed in the same manner and with the same effect as is provided for the foreclosure of a mortgage or deed of trust upon real property by the laws of the State of California and such foreclosure action may be taken as is provided for under a deed of trust with power of sale.

2.74 Interest shall accrue at the legal rate fixed by the laws of the State of California on all delinquent Regular Dues, Special Assessments or Special Charges from the date of delinquency and, in any action to enforce the lien, the Association shall be entitled to costs, including reasonable attorney fees and such penalties for delinquent charges and assessments as shall have been established by the Board of Directors.

2.75 At any time prior to completion of any action to foreclose the lien, the delinquent member may pay said Regular Dues, Special Assessments, Special Charges and interest, together with costs and attorney fees incurred by the Association to the date of such payment, whereupon the Association shall file and record a satisfaction and release of its lien.

2.8 Suspension of membership privileges. During such time as any Regular Dues, Special Assessment or Special Charge shall be delinquent, the Board of Directors may suspend any or all of the membership privileges of a delinquent member (including such privileges as may have been assigned to a resident lessee) including the right to vote at any meeting of members and the right to use of the common areas and recreational facilities owned and maintained by the Association.

2.81 If grounds appear to exist for suspension of a member under the By Laws, the following procedure shall be followed:

2.811 The member shall be given fifteen (15) days prior notice of the proposed suspension and the reason therefore. Such notice shall be given by first-class or registered mail to the last address of the member as shown on the Association records.

2.812 The member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed suspension. The hearing shall be held, or the written statement considered by the Board.

2.813 The Board shall determine whether or not the member should be suspended or sanctioned in some other manner. The decision of the Board shall be final.

ARTICLE III

MEETINGS OF MEMBERS

3.1 Place of Meetings. All annual and special meetings of association members shall be held at the principal office of the Association or at such other place within Sonoma County, California, as may be fixed from time to time by resolution of the Board of Directors.

3.2 Annual Meetings. The annual meeting of members shall be held on the first Monday of April of each year. Should that day fall on a legal holiday, then such annual meeting shall be held at the same time and place on the next day thereafter which is not a legal holiday.

3.21 Written notice of the annual meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote. The notice shall be given either personally or by sending a copy of the notice by first-class mail, or by other means of written communication, to the member's address of record appearing on the books of the Association or supplied by said member to the Association for the purpose of notice. All such notices shall be sent to each member not less than ten (10) days nor more than ninety (90) days before the meeting date.

3.22 The notice shall specify the date, time and place of the annual meeting and those matters which the Board of Directors then intends to present for action by the members and that, subject to compliance with the provisions of 3.5 hereof (quorum), any proper matter may be presented but not voted upon at such meeting.

3.23 The notice of any meeting at which directors are to be elected shall state the names of all persons who are nominees for that office as of the date notice is given.

3.3 Special Meetings. Special meetings of members for any purpose or purposes whatever may be called at any time by the President or by the Board of Directors or by petition of any five percent (5%) of the voting power of the Association.

3.31 The members' request for a special meeting as herein provided shall be made in writing and delivered to the President, Vice President or the Secretary, which officer shall promptly cause notice to be given to the members entitled to vote. The special meeting must be held at a date, time and place fixed by the Board not less the ten (10) nor more than ninety (90) days after receipt of the request.

3.32 Notice of a special meeting shall be given in the same manner as for annual meetings of members but in addition to specifying the place and time of such meeting, the notice shall also state the general nature of the business to be transacted. At such meeting, no other business may be transacted.

3.4 Adjourned Meetings and Notice Thereof. Any meeting of members, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the members present or represented at such meeting. In the absence of a quorum, no other business may be transacted at such meeting.

3.41 No meeting may be adjourned for more than thirty (30) days. When a meeting of members is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new meeting date is fixed, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the reconvened meeting, any business that might have been transacted at the original meeting may be transacted at the adjourned meeting.

3.5 Quorum. The presence in person or by proxy of members entitled to cast twenty five percent (25%) of the votes represented by the number of residential units and leased apartments in Oakmont shall constitute a quorum for the transaction of business. The members present at a duly called meeting at which a quorum is present may continue to do business notwithstanding the withdrawal of enough members to leave less than a quorum, so long as the action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum.

ARTICLE IV VOTING

4.1 Voting Rights of Members. Members of the Association shall have the right to vote at any meeting of the membership in each election, referendum or initiative conducted by the Association on the following basis:

4.11 One vote for each residential unit owned in Oakmont. If title to a residential unit or a beneficial ownership thereof is vested in two or more persons in joint tenancy or otherwise, then the several owners of such residential unit shall collectively be entitled to one vote only.

4.12 One vote for each residential unit where the purchaser is entitled to possession under a contract to purchase: provided, however, that in such instance the holder of legal title shall not be entitled to vote. If the contract to purchase is in favor of two or more persons, those persons collectively shall be entitled to one vote only.

4.13 One vote for each leased apartment unit in Oakmont Gardens. If a lease to said apartment unit is vested in favor of two or more persons, the several lessees shall collectively be entitled to one vote only.

4.14 In the event one of the persons in whose name a residential unit or apartment lease stands attempts to exercise a voting right contrary to or inconsistent with the act of another such person, then those members collectively shall be deemed not to have exercised their right to vote.

4.2 Voting Power. The sum total of voting rights described above in 4.1, certified as eligible to vote at a meeting of the membership, or in an election, referendum or initiative, conducted by the Association shall constitute the voting power of the Association.

4.3 Proxies. Every member entitled to vote shall have the right to do so either in person or by an agent authorized by written proxy. The form of proxy shall be provided by the Association and, after execution, shall become a ballot when filed with the Secretary of the Association or the election committee. The voting of any proxy shall be limited to the matters stated thereon and its authority shall terminate ninety (90) days from the date of its execution.

4.31 Any proxy submitted must designate how the proxy shall be voted as to each matter listed on the proxy and the proxy shall be voted in that manner. Proxies not so designated may not be voted, but shall be counted for the purpose of establishing a quorum.

4.4 Voting Procedure. Voting rules and procedures for certifying eligible members, forms of ballots and proxies, voting and the counting of votes shall be adopted by the Board of Directors and shall be consistent with the By Laws and the law of the State of California relating thereto.

ARTICLE V

BOARD OF DIRECTORS

5.1 Powers and Duties. Subject to such limitations as may be imposed by the Articles of Incorporation, these By Laws and the laws of the State of California, all corporate powers of the Association shall be exercised by a Board of Directors which Board shall conduct and manage its business and affairs.

5.11 It shall be the duty of the Board of Directors to:

A. Keep adequate and correct books and records of account, minutes of its proceedings and of its Committees and a record of the members of the Association, including their names and addresses.

B. Prepare and timely disseminate to members all financial reports and budgeted expenses as required by law.

C. Fix, collect and enforce Regular Dues, Special Assessments and Special Charges as set forth in the By Laws.

D. Contract for casualty, liability and other insurance on behalf of the Association.

E. Present to the members at each annual meeting a formal report of its actions and proceedings during the preceding year and make such recommendations regarding future operations as it may deem advisable.

5.12 The Board may not pay or authorize payment of compensation of any kind to members of the Board or officers of the Association for services performed in the conduct of its business; except that the Board may approve reimbursement to a director or officer for expenses incurred in the performance of his or her duties in such reasonable amount as may be fixed by resolution of the Board.

5.2 **Qualification and number of directors.** The authorized number of directors of the Association shall be seven (7). No person shall be elected as a director who is not a member in good standing of the Association.

5.3 **Election of Directors and term of office.** The term of office of an elected director shall be for two (2) years. Each elected director shall hold office until his or her term expires and a successor is elected and qualified.

5.31 The two year terms of elected directors shall be staggered so that, at such time as seven directors are elected by the members, no less than three (3) directors will be elected each year.

5.32 No elected director shall serve more than two (2) consecutive terms.

5.33 Subject to the provisions of the following paragraph (5.34), the directors of the Association shall be elected by the members of the Association at the annual meeting or at such other meeting as may be called for the election of one or more directors. Election shall be by written ballot upon which the names of all persons timely nominated for the office of director shall appear in random listing. Those candidates who receive the highest number of votes for the number of directors to be elected shall be deemed to have been elected.

5.34 Notwithstanding anything to the contrary contained herein, Oakmont Developers Inc., a corporation (the "Developer"), shall have the right to appoint one (1) director. Such right of appointment shall continue only so long as there is in effect an Administration Agreement between the Association and Developer permitting such right of appointment.

5.4 **Nomination of candidates.** On or before December first of each year the Board of Directors, by resolution, shall appoint a Nominating Committee of five (5) members from the membership at large, one of whom shall be designated as Chairman.

5.41 Not later than February 1 the Nominating Committee shall present to the Board of Directors, for publication, a slate of not less than two (2) more nominees than the number of directors to be elected by the members of the Association. The names of the nominees shall appear and be published in random listing without indication of preference.

5.42 The chairman of the Nominating Committee shall make a formal nomination of the slate of nominees at the February Board of Directors meeting. Upon completion of this act, the Nominating Committee shall be automatically dissolved.

5.43 Members representing not less than two percent (2%) of the total voting power of the Association may nominate candidates for election as directors by a written petition, signed by such members and delivered to a director of the Association not later than March 1st. On timely receipt of such a petition, the Secretary shall cause the names of the candidates set forth in the petition to be placed on the ballot along with the names of those candidates named by the Nominating Committee.

5.44 At the annual meeting or other meeting to elect directors, any member present at the meeting may, in person or by proxy, place into nomination the names of candidates for election as directors.

5.45 The Board of Directors shall formulate procedures that will allow a reasonable opportunity, prior to the election date, for all candidates to communicate to members their qualifications and reasons for candidacy including a meeting called for that purpose. Timely publication in the Oakmont News (or any successor publication) shall include the names of all candidates nominated prior to the date of the election with an accompanying statement by each candidate of not more than three hundred (300) words. The names and statements shall also accompany the Association's notice of the annual meeting or other meeting to be held for the purpose of electing one or more directors. The procedures so formulated shall apply and be available to all candidates equally and without preference.

5.46 In the event it is necessary to hold a meeting to elect directors on a day other than the day of the annual meeting, the Board of Directors shall fix an appropriate time schedule for appointment of a nominating committee and publication of the names of all nominated candidates, including those who may be nominated by members, consistent with the provisions of the foregoing paragraphs.

5.5 Vacancies. Vacancies on the Board of Directors, except those due to removal by the membership, may be filled by majority vote of the remaining directors. Each director so elected shall hold office until the next annual membership meeting at which time the members shall elect a director to fill such vacancy.

5.51 A vacancy shall be deemed to exist in the case of the death or resignation of a director or if a director ceases to be a member in good standing of the Association. A vacancy shall also be deemed to exist if a director is removed by vote of the members. No reduction in the number of directors pursuant to an

amendment of the By Laws shall have the effect of removing a director prior to expiration of his term of office.

5.52 An elected director may be removed from office, with or without cause by a simple majority vote of the voting power of the Association at a special meeting called for the purpose pursuant to 3.3 of these By laws.

5.53 The members of the Association may elect directors to fill any vacancy not filled by the remaining directors within thirty (30) days after a vacancy has occurred and shall elect an additional director or directors at any meeting at which an amendment of the By Laws is to be voted on increasing the number of directors.

5.6 Meetings. All meetings of the Board of Directors shall be held at the principal office of the Association or at any other place within the County of Sonoma, State of California as may be designated by resolution of the Board.

5.61 All regular meetings of the Board shall be open to all Association members and public comment shall be permitted but members, other than directors, may not participate in any discussion or deliberation unless expressly authorized by a majority of the Board.

5.62 Following each annual meeting of members, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business.

5.63 Special meetings of the Board of Directors may be called at any time by the President or, if he is absent or refuses to act, by the Vice President or by any two (2) directors. Such meetings shall be held upon four (4) days notice by first-class mail or upon written notice delivered personally not less than seventy two (72) hours prior to the time set for the meeting unless such notice is waived in writing.

5.64 The Board may, with approval of a majority of a quorum convene an executive session or, adjourn any duly called meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session or by public notice.

5.7 Quorum. A majority of the authorized number of directors, shall constitute a quorum for the transaction of business and the acts or decisions made by a majority of the directors present at a duly called meeting at which a quorum is present shall constitute a valid corporate act of the Association subject to compliance with those applicable and more stringent provisions of the laws of the State of California relating to Non-Profit Mutual Benefit Corporations relating to, among other matters, (a) approval of a contract or transaction between the Association and one or more directors or between the Association

and an entity in which one or more directors has a material financial interest, (b) delegation of the Board's authority to a committee or (c) indemnification of directors.

5.71 In the absence of a quorum a minority of directors may adjourn a meeting but may not transact any other business.

5.8 **Notice Of Adjournment.** Unless adjourned for more than 24 hours, notice of adjournment of any directors meeting, either regular or special, need not be given to absent directors if the time and place are fixed at the meeting adjourned.

ARTICLE VI OFFICERS

6.1 The officers of this Association shall be a President, a Vice President, a Secretary and a Treasurer.

6.2 The officers of the Association shall be elected annually by the Board of Directors at its first regular meeting following the annual meeting of members or as soon thereafter as may be practical. Such officers shall hold office for a term of one year or until their successors are elected. No person shall be eligible to serve as an officer who is not a member of the association in good standing. An officer need not be a member of the Board of Directors.

6.3 A vacancy in any office, for any cause, shall be filled by the Board of Directors who shall elect a successor to such office within thirty (30) days of the vacancy to fill the remainder of the one year term.

6.4 Any officer may be removed from office prior to expiration of his term either with or without cause by the affirmative vote of a majority of the Directors at any regular or special meeting of the Board of Directors.

6.5 The President shall be the chief executive officer of the Association and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business of the Association. He shall preside at all meetings of the members and at all meetings of the Board of Directors. He shall be ex officio a member of all committees appointed by the Board of Directors pursuant to the By Laws except the Nominating Committee and shall have the general powers and duties of management usually vested in the office of the President of a California non-profit mutual benefit corporation in addition to such other powers and duties as may be prescribed by the Board of Directors or the By Laws.

6.6 The Vice President shall perform such duties as may be assigned by the President and, in the absence or disability of the President, shall perform all the duties of the President in addition to such other powers and duties as may be prescribed by the Board of Directors or the By Laws.

6.7 The Secretary shall keep and maintain written minutes of all meetings of the Board of Directors. The secretary shall also keep and maintain written minutes of the annual meeting and such other meetings of members called for voting purposes.

6.71 The Secretary shall give notice of all meetings of the members and of the Board of Directors as required by the By Laws to be given and, in the absence of the President and Vice President, shall call such meetings to order to elect a Director to serve as acting president for the purpose of conducting the meeting.

6.72 The Secretary shall keep and maintain a membership register setting forth the names of all members, their addresses and the property to which each membership relates. The Secretary shall keep and maintain safe custody of the official seal of the corporation and, in addition thereto, shall have such other powers and duties as may be prescribed by the Board of Directors or the By Laws.

6.8 The Treasurer shall keep and maintain adequate and current books and accounts reflecting in detail all income and expenditures of the Association, its assets and liabilities and generally the condition of its financial affairs. All records and books of account shall, at all times, be available and open for inspection by any director.

6.81 The Treasurer shall deposit all monies and/or valuables in the name of and to the credit of the Association in such depositories as may be designated by the Board of Directors and shall disburse the funds of the Association as may be ordered by the Board of Directors. The treasurer shall render to the President and Directors, whenever they request it, an account of all transactions of the Treasurer and shall have such other powers and duties as may be prescribed by the Board of Directors or the By Laws.

ARTICLE VII

ASSOCIATION RECORDS AND REPORTS

7.1 The Association shall maintain adequate and correct accounts, books and records of its business and properties. All such books, records and accounts shall be kept at the principal place of business in the State of California as fixed by the Board of Directors.

7.2 Subject to the applicable provisions of the California Corporations Code, commencing at Section 8330, the books and records of the Association shall be open to inspection of the directors and of the members of this Association at all reasonable times upon the written demand of any such director or member.

7.3 The original or a copy of the these By Laws as amended or otherwise altered, to date certified by the Secretary, shall be open to inspection by the members of this Association.

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

7.5 The Board shall prepare and distribute annual budgets and financial statements to each member as follows:

7.51 A pro forma operating budget for each fiscal year shall be distributed no less than forty five (45) days nor more than sixty (60) days before the beginning of the next fiscal year which shall include estimated revenue and expenses on an accrual basis, estimated costs for replacement or major repair of common facilities and cash reserves currently available therefor and the procedure used for calculation of such reserves, together with such other information as may be required by California law.

7.52 An annual financial statement shall be distributed not less than ten (10) days prior to the annual meeting of members, which shall contain the following information:

A. A balance sheet, an income statement and a statement of changes in financial position as of the end of the fiscal year.

B. A report by an independent firm of Certified Public Accountants, who shall have audited the affairs and accounts of the Association for the purposes of such reports, shall accompany the same.

C. A statement of the place where the names and addresses of current members are located.

D. Such other information as may be required by California law.

ARTICLE VIII

PROPERTY RIGHTS AND INTEREST

8.1 No member of this association shall have any right of property in any of the real or personal property held by or in the possession of or control of this association, and shall have no right to distribution of any property or assets of this association at the time of its dissolution, or otherwise, and provided that at the time of dissolution of this association, such property and assets as may be owned by this association shall be transferred, assigned and distributed to the Salvation Army, a non-profit corporation.

ARTICLE IX COMMITTEES

9.1 The Board of Directors, by resolution, shall establish such Standing Committees as it may determine are necessary and required for the efficient conduct of the affairs of the Association.

9.2 The Board also may establish ad hoc committees for such special purposes as it may determine are needed to effectively carry out the functions of the Association. Any ad hoc committee so formed, shall automatically be discharged upon the completion of its prescribed function or upon action of the Board.

9.3 The Board president shall have the authority to designate Board members to such committees.

9.4 Except for decisions and /or conclusions of the Architectural Committee, committee decisions and /or conclusions shall not be deemed as approved until approved by the Board of Directors.

ARTICLE X MISCELLANEOUS

10.1 The rules set forth in Roberts Rules of Order (Revised) shall govern all meetings of the membership, the Board of Directors and all Standing and ad hoc committees except where such Rules of Order may be in conflict with these By-Laws or the law of the State of California.

10.2 The Board of Directors may accept and acknowledge the receipt of gifts or bequests by will or living trusts which may be made to the Association for general or specific purposes related to the affairs and best interest of the Association.

ARTICLE XI AMENDMENTS

11.1 The By-Laws of this Association may be adopted, amended or repealed either at a regular or special meeting of the members at which a quorum is present, either in person or by proxy, by a majority of the voting power of the Association voting either in person or by proxy, provided, however, that notice of such meeting specify the substance of any new By-Laws and identify the existing By-Laws to be amended, provided, however, that Article VIII may not be amended and further provided that subsection 2.61 of Article II of these By-Laws can be amended only by a vote of two-thirds of the voting membership of the Association.

ARTICLE XII
NEW MEMBER INITIATION FEE

(Approved 9/29/92)

12.1 A new member initiation fee of up to \$200.00 shall be charged each new resident of Oakmont beginning January 1, 1993. The amount of the fee, within that limit, shall be fixed by the Board of Directors of the Oakmont Village Association.

12.2 The Association shall have all the rights and remedies for collection of the new member initiation fee as are accorded it under these Bylaws, Article II.

12.3 This article does not apply to those members purchasing houses covered by an existing management agreement or renters of residential property or Oakmont Gardens Apartments.



OAKMONT VILLAGE ASSOCIATION

310 White Oak Drive, Santa Rosa, California 95409
(707) 539-1611 FAX: (707) 539-6537

RESOLUTION OF THE
OAKMONT VILLAGE ASSOCIATION
BOARD OF DIRECTORS
RE: CLARIFICATION OF BYLAWS ARTICLE XII
"New Member Initiation Fee"

WHEREAS, the Board of Directors has been requested to clarify the meaning of Bylaws Article XII, section 12.1, for the purposes of equal application; and

WHEREAS, specific clarification was requested concerning the meaning of the word "resident", how a "resident" is determined, and how to levy the New Member fee in the case of multiple owners.

NOW, THEREFORE, BE IT RESOLVED, that for the purposes of this Article:

1. A "resident" is the property owner of a resale residential unit within the community of Oakmont, whether that owner is a resident owner or absentee owner.
2. A "resident" is determined by the property Grant Deed.
3. Where there are multiple owners of one property, the maximum fee that may be levied is ~~two~~ twice the single-resident fee.

RAM

APPROVED this 25th day of March, 1997.

L. L. Dintiman
L. L. Dintiman, President

R. A. Marelli
R. A. Marelli, Vice-President/Treasurer

Joy Darcey
Joy Darcey, Secretary

Ed Propper
Ed Propper, Director

Robert C. Rodgers
Robert C. Rodgers, Director

H. E. Roland
H. E. Roland, Director