



BYLAWS OF
SAN LORENZO VILLAGE HOMES ASSOCIATION
Adopted September 21, 2006
(As Amended on August 26, 2021)

These Amended Bylaws of the San Lorenzo Village Homes Association ("**Bylaws**") supersede any and all earlier Bylaws and amendments thereto. The definitions of certain capitalized terms are included in Article XI of these Bylaws; where no term is specifically defined in these Bylaws, the term shall be interpreted in a fashion consistent with its use and definition in the Association's Declaration of Covenants, Conditions and Restrictions ("**Declaration**") and applicable law governing California residential common interest developments.

ARTICLE I
ASSOCIATION GENERALLY

Section 1.1. Name and Location. The name of this Nonprofit Mutual Benefit Corporation is "SAN LORENZO VILLAGE HOMES ASSOCIATION," (hereinafter referred to as the "**Association**"). The principal location of the **Association** is in the County of Alameda, State of California.

Section 1.2. The Property. These Bylaws govern all of the real property and improvements described on the attached **Exhibit A**, including any additional property subsequently annexed to the Association from time to time ("the Property").

Section 1.3. Purpose. The purposes of the Association are:

- 1.3(a)** to control, own, repair, maintain, manage, protect and/or enhance the Common Areas and Common Area facilities;
- 1.3(b)** to generally enforce and implement the Governing Documents of the Association, including its Declaration and operating rules;
- 1.3(c)** to enhance and promote the use and enjoyment of the Common Areas and Common Area facilities by the residents and/or Members;
- 1.3(d)** to maintain the aesthetic and architectural standards of San Lorenzo Village;
- 1.3(e)** to protect the quality of residential use and enjoyment as well as property values at San Lorenzo Village.

ARTICLE II
MEMBERSHIP

Every owner of a **Lot** in the Property is a Member of the Association. Membership in the Association is linked to, and may not be separated from, ownership of any Lot. Upon the sale, conveyance or other transfer of an owner's interest in a Lot, the owner's membership shall automatically transfer to the new owner(s) of said Lot.

ARTICLE III MEMBERSHIP VOTING

Section 3.1. Member Voting Rights. On each matter submitted to a vote of the Members, each Member shall be entitled to cast two (2) votes for each Lot owned by such Member; maximum votes per lot is 2. When more than one (1) Person owns an interest in a single Lot, any votes cast by a single Member shall be deemed the authorized votes for that Lot.

Section 3.2. Cumulative Voting. There shall be no cumulative voting.

Section 3.3. General Voting Options. Member decision-making can be accomplished in several ways. These include use of a mail-in ballot, ballots cast at a meeting, written consent, and/or voice or hand votes at a meeting. The Board may tailor the voting procedure to adequately fit the particular circumstance of the vote utilizing any of the foregoing options, except for Member votes governed by **Section 3.4(a)** of these Bylaws.

Section 3.4. Votes/Elections Governed by Statute.

3.4(a) Secret Balloting Required. Member votes regarding the following shall be held by secret ballot in accordance with the procedures set forth in the Association's published election rules and Civil Code § 5100 *et. seq.*: (i) elections regarding assessments legally requiring a vote, (ii) election and removal of Directors, (iii) amendments to the Association's governing documents, or (iv) the grant of exclusive use of common area pursuant to Civil Code § 4600.

3.4(b) Election Rules & Procedures. When any of the issues specified in **Section 3.4(a)** above are put to a vote, direct ballots by mail will be used, so long as the votes are tabulated at a duly called and noticed meeting. The specific procedures to accomplish this type of secret ballot vote shall be set forth in a set of written election rules ("**Election Rules**") adopted by the Board which satisfy the requirements of Civil Code § 5105. If there are no such Election Rules, the Association may use the provisions of Civil Code § 5100 *et. seq.* The ballots and instructions will be delivered to Members at least thirty (30) days before the close of voting which shall be established on the ballot. The ballots must be returned to the place specified on the ballot and must be received or postmarked by the date specified on the ballot. The counting of the ballots will be conducted by one or three duly appointed Inspector(s) of Election at the scheduled Board meeting or general membership meeting referenced in the balloting materials.

3.4(c) Inspectors of Election. The Board shall select an independent third party or parties as an Inspector of Elections. The number of Inspectors of Elections shall be one (1) or three (3). For the purposes of this section, an independent third party includes, but is not limited to, a volunteer poll worker with the county registrar of voters, a licensee of the California Board of Accountancy, or a notary public. An independent third party may be a member, but may not be a director or a candidate for director or be related to a director, a candidate for director, or an Association employee. An independent third party may not be a person, business entity, or subdivision of a business entity who is currently employed or under contract to the Association for any compensable services unless expressly authorized by the Election Rules. The Inspector(s) of Elections shall do all of the following:

- (1) Determine the number of memberships entitled to vote and the voting power of each.
- (2) Determine the authenticity, validity, and effect of proxies, if any.
- (3) Receive ballots.
- (4) Hear and determine all challenges and questions in any way arising out of or in connection with the right to vote.
- (5) Count and tabulate all votes.
- (6) Determine when the polls shall close, consistent with the Governing Documents.

(7) Determine the tabulated results of the election.

(8) Perform any acts as may be proper to conduct the election with fairness to all Members in accordance with Civil Code § 5100 *et. seq* and the Association's Election Rules.

Section 3.5. Addition of New Tracts to the Association. Subsequent to the adoption date of these Bylaws, the Board may add new tracts to the Association, subject to the approval of a majority of a quorum of Members. The effective date of any tract addition shall be as designated by the **Board** or upon close of the voting period. The Board may unilaterally update **Exhibit A** to these Bylaws at any time to reflect the addition of any such new tracts.

Section 3.6. Nominations for Director. Not less than thirty (30) days before the nomination deadline, the Association shall provide via general delivery a "Nomination Form" that discloses the nomination procedures and nomination deadline. The deadline for submitting a nomination ("Nomination Deadline") shall not be less than thirty (30) days before ballots are distributed. The Nomination Form shall be delivered by individual notice pursuant to California Civil Code section 4040 if requested by a Member. The Association's Election Rules will establish the procedure for qualifying candidates and additional procedures related to nominations and nominating committee, which the Board may from time to time, establish.

Section 3.7. Contract Purchasers. A Member who has sold his or her Lot to a contract purchaser under an agreement to purchase must delegate his or her membership rights in the Association. Any such delegation shall be in writing and shall be received by the Board before such contract purchaser may vote.

ARTICLE IV

MEMBERSHIP MEETINGS

Section 4.1. Types of Meetings.

4.1(a) Member Meetings. The Board may call a Member meeting at such times, as it deems appropriate or when matters are to be submitted to the Members for a vote at such meeting. The Association shall hold a Member meeting in each year in which Directors are to be elected to the Board in accordance with Corporations Code section 7510(a) (i.e. on an annual basis). (Note that Director elections are conducted by mail pursuant to **Article III**.)

4.1(b) Special Meetings. Special Meetings of the Members may be called at any time by the President or by two Directors. Additionally, a Special Meeting of the Members shall be promptly called by the Board upon receipt of a written request signed by Members representing not less than five percent (5%) of the total voting power of the Association that sets forth a "lawful purpose" for the special meeting (e.g., the purpose of the special meeting is to take some action which may only be taken through a vote of the membership).

Section 4.2. Conducting Meetings.

4.2(a) Parliamentary Procedures. Meetings of Members shall be conducted in accordance with a recognized system of parliamentary procedures or such parliamentary procedures as the Board may adopt.

4.2(b) Special Meeting Restriction. Only those matters specified in the special meeting notice may be transacted at the meeting.

Section 4.3. Meeting Notices. Written notice of regular and special meetings of the Members shall be given as follows:

4.3(a) Time of Notice. Notice for a Member meeting shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting. As provided by the Corporations Code, a meeting called pursuant to petition of the Members shall be set at least thirty-five (35) but not more than ninety (90) days after receipt by the Board of the request. Attendance at a meeting shall constitute a waiver of any defect in the notice, other than content.

4.3(b) Delivery of Notice. Notice of each Member meeting shall be given to each Member at either (1) the address of the Lot or (2) the address supplied by such Member to the Association for the purpose of notice.

4.3(c) Content of Notice. Notice of a meeting shall specify the place, day and hour of the meeting. It shall also specify those matters, which, at the time the notice is given, are to be presented for action by the Members. Notice of a special meeting must state the purpose of the special meeting.

Section 4.4. Quorum Requirements. The presence at the meeting of at least ten percent (10%) of the voting power shall constitute a quorum for any action. If a quorum is not represented, a majority of the Members present may adjourn the meeting, without notice other than announcement at the meeting. Any such meeting may be rescheduled for not less than five (5) nor more than thirty (30) days from the date of the original meeting. Ballots received for the original meeting date shall remain valid for any rescheduled meeting. Once a quorum is established, any action requiring approval of the Members (unless otherwise specified) requires the affirmative vote of a majority of all Members present.

ARTICLE V BOARD OF DIRECTORS

Section 5.1. General Association Powers. The **Board of Directors** shall have the power and authority to conduct the business of the **Association**, except as may be limited by the **Governing Documents** or the law generally.

Section 5.2. Directors. All Directors shall be Members of the Association and must be current in the payment of regular and special assessments owed to the Association.

5.2(a) Number. The business of the Association shall be conducted by a Board of five (5) Directors.

5.2(b) Term of Office. The term for all Directors shall be three (3) years. The terms shall be staggered such that one (1) position shall be elected in one year, and two (2) positions shall be elected in each of the two (2) following years. Each **Director**, including a Director elected to fill a vacancy or elected at a special meeting of Members, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

5.2(c) Compensation. No Director shall receive compensation by the Association for any services rendered to the Association as a Director. If approved by the Board, a Director may, however, be reimbursed for his or her reasonable expenses actually incurred in the performance of his or her duties as a Director. Expenses for which reimbursement is sought shall be supported by a proper receipt or invoice signed and dated by the Director claiming the expense.

5.2(d) Determination of Election Results and Succession to Office. Election to the **Board** shall be by secret written ballot (see generally **Section 3.4**). The vacancies shall be filled by the Persons receiving the largest number of votes, up to the number of Directors to be elected. Due to the size of the Association, votes will be tabulated at a meeting held the first week in February specifically for this purpose. Each newly elected Director shall take office after notification and acceptance of the election results. In the event of a tie, a runoff election will be held to determine the new Director.

5.2(e) Vacancies Generally. A vacancy on the Board exists on the occurrence of any of the following:

- 5.2(e)(1)** the disqualification, death, resignation, or removal of a Director under section (g) below;
- 5.2(e)(2)** the failure of the Members to elect the proper number of Directors;
- 5.2(e)(3)** a declaration of vacancy by the Board for any reason permitted by law.

5.2(f) Resignation. Any Director may resign by giving written notice. Such resignation shall be effective on presentation to the President or Secretary, unless the notice specifies a later time, in which case the resignation shall take effect upon the time stated in the notice of resignation.

5.2(g) Removal.

5.2(g)(1) By Board. The Board shall have the power, authority, and discretion to remove a Director and declare his or her office vacant if he or she:

- 5.2(g)(1)(i)** has been declared of unsound mind by a final order of court;
- 5.2(g)(1)(ii)** has been convicted of or pled guilty to a felony;
- 5.2(g)(1)(iii)** fails to attend two (2) consecutive, and/or twenty-five percent (25%) over a 12 month period, of

regular Board meetings that have been duly noticed or regularly scheduled;

5.2(g)(1)(iv) becomes more than thirty (30) days delinquent in the payment of any Assessment;

5.2(g)(1)(v) maintains an adversarial proceeding, such as arbitration or litigation, against the Association, its employees or agents, or any other Director;

5.2(g)(2) Arising From Court Action. The Court may remove any Director determined to be guilty of fraudulent or dishonest acts or gross abuse of authority or discretion with reference to the Corporation.

5.2(g)(3) By Members. Any membership action to recall or remove a Director shall be conducted in accordance with the provisions of Corporations Code section 7222, as amended from time to time.

5.2(h) Filling Vacancies. The Board has the general power to fill vacancies. The exception is when the vacancy is created through removal of the Director by the Members.

5.2(h)(1) By the Board. The Board shall fill the vacancy by a majority vote of the remaining Directors (even if less than a quorum) or by the sole remaining Director.

5.2(h)(2) By the Members. If removed by the Members, the vacancy shall be filled by election by the Members. The Members may also elect a Director to fill any vacancy not filled by the Board.

Section 5.3. Officers. The Officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Board may, by resolution, appoint such other Officers as the Board deems appropriate.

5.3(a) Election. The election of Officers shall take place at the Annual Board meeting.

5.3(b) Term of Office. The Officers of this Association shall be elected annually by the Board. Each Officer shall hold office for one (1) year unless he or she resigns, is removed or is disqualified.

5.3(c) Resignation. Any Officer may resign from his or her office by giving written notice. Such resignation shall be effective on presentation to the President or Secretary, unless the notice specifies a later time, in which case the resignation shall take effect upon the time stated in the notice of resignation.

5.3(d) Removal. Any Officer may be removed and/or reassigned by the **Board** with or without cause, at any regular or special meeting of the Board.

5.3(e) Vacancies. A vacancy in any office may be filled by appointment by the remaining Director(s). The Officer appointed to such vacancy shall serve the remainder of the term of the Officer he or she replaces.

5.3(f) Multiple Offices. The offices of Secretary and Treasurer may be held by the same Director.

5.3(g) Duties of Officers. Subject to appropriate delegation, the duties of the Officers are as follows:

5.3(g)(1) President. The President shall be the Chief Executive Officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of the business and Officers of the Association. He or she shall (i) preside at meetings of the Board; (ii) see that orders and resolutions of the Board are carried out; (iii) sign contracts and other written instruments; and (iv) have the power to co-sign all checks and promissory notes. He or she shall have such other powers and duties as may be prescribed by the Board or the Bylaws.

5.3(g)(2) Vice President. In the unavailability, absence or disability of the President, the Vice President shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. He or she shall have such other powers and perform such other duties, including co-signatory powers on accounts, as from time to time may be prescribed by the Board or the Bylaws.

5.3(g)(3) Secretary. The Secretary is responsible for the Association records, minutes of all Board meetings and Member meetings, as well as Member rosters. The Secretary is also responsible for giving notice of all **Board** meetings and Member meetings. He or she shall keep the seal of the **Association**, if any. He or she shall have such other powers and perform such

other duties, including co-signatory powers on accounts, as may be prescribed by the Board or by the Bylaws.

5.3(g)(4) Treasurer. The Treasurer is responsible for overseeing or maintaining adequate and correct accounts of business transactions of the Association. This includes accounts of the Association's assets, liabilities, receipts, disbursements, reserves, and other matters customarily included in homeowner association financial statements. The financial records shall at all times be open to inspection by any Director.

ARTICLE VI BOARD MEETINGS

Section 6.1. Generally.

6.1(a) Common Interest Development Open Meeting Act Applicable. Notwithstanding anything to the contrary contained in this Article VI of these Bylaws, all Board Meetings shall be conducted in accordance with the procedures and requirements set forth in the Common Interest Development Open Meeting Act (Civil Code § 4900 et. seq., the "Open Meeting Act").

6.1(b) Annual Board Meeting. Each year tabulation of votes received in the election of Directors shall be conducted at a meeting held the first week of February. The first meeting of the newly elected Board shall then be held on the third Thursday in February..

6.1(c) Regular Meetings. A Regular Meeting of the Board shall be held on the third Thursday of each month at seven thirty (7:30) p.m., provided that the Board may, by resolution, change that day and hour of holding such Regular Meetings. Additional Regular Meetings may be held at any time as determined by the Board, upon proper notice as required by these Bylaws.

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

6.1(e) Emergency Meetings. An Emergency Meeting of the Board may be called by the President, or by any two (2) directors, if there are circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the Board, and which of necessity make it impracticable to provide notice as required under **Section 6.3**. Emergency Meetings may be conducted by telephone, or through a series of electronic transmissions (e.g., email) if all Directors consent to conducting the Emergency meeting in that manner.

Section 6.3. Notice.

6.3(a) Notice of the time and place of a Board meeting shall be given by the Association at least four (4) days prior to the meeting. Notice of the time and place of a Board meeting held solely in Executive Session shall be given by the Association at least two (2) days prior to the meeting. Pursuant to the Open Meeting Act, the notice shall be delivered by "general delivery" (Civil Code § 4045), which includes any of the following options: inclusion in a billing statement or newsletter, by posting the notice in the location designated by the Association for the posting of general notices, by mail, to any Member who has requested notification of Board meetings by mail, at the address requested by the Member, or by mail or delivery of the notice to each Lot. Notice may be transmitted electronically, such as by email or facsimile, if a Member has specifically requested or agreed to receipt of notice in this manner. Any attendance by a Member at a meeting shall constitute a waiver of any defect in the notice of that meeting. A notice of Board meeting shall contain the agenda for the meeting.

6.3(b) Notice to a Director shall be given at least four (4) days prior to the meeting and may be delivered by mail, personally, by telephone (including an answering machine or voice message system), facsimile, or electronic mail or other similar means. An information packet is typically delivered to each Board member by the Friday prior to the Thursday's Regular Board meeting.

6.3(c) Nothing contained in Section 6.3 of these Bylaws shall be construed to prohibit Emergency Meetings of the Board if there are circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the Board, and which of necessity make it impractical to provide notice.

Section 6.4. Quorum Requirements. Three (3) Directors shall constitute a quorum for the transaction of business. Every act done or decision made by the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the

Board. In the event one Director leaves the meeting, the two remaining Directors may continue to transact business, provided that any action taken is approved by the same number of Directors as required at the outset of the meeting. If a quorum cannot be obtained because of vacancies on the Board, the remaining Director must appoint or the Members must elect at least one additional Director before further business may be conducted.

Section 6.5. No Action Without Meeting. The Board shall not take action on any item of business outside of a Board meeting. An “item of business” means any action within the authority of the Board, except those actions the Board has validly delegated to any other person or persons, managing agent, Administrator, Officer, or Committee.

Section 6.6. Participation by Members; Open Forum. With the exception of Executive Sessions of the Board (see **Section 6.7** below), all scheduled Board meetings shall be open to attendance by Members of the Association, and **Members** shall be allowed to address the Board at the point of the meeting reserved for that purpose (“**Open Forum**”). Because the purpose of the Board meeting is for the Board to conduct the business of the Association, a reasonable time limit and time for Members to speak to the Board may be established by the Board. The **Board** may, at its discretion, exclude any Person who is not a Member from the Board meeting.

Section 6.7. Executive Session.

6.7(a) The Board may adjourn to, or meet solely in, Executive Session to address personnel matters, contracts with third parties, and actual or possible litigation, member discipline, matters involving payment plans for delinquent assessments, and foreclosure of assessment liens, pursuant to Civil Code § 4935.

6.7(b) As to Member discipline, the Board has general discretion as to whether or not it will meet in Executive Session. Any disciplinary hearing must, however, be conducted in Executive Session if requested by the Member who is the subject of the disciplinary hearing.

6.7(c) Any matters discussed in Executive Session shall be generally noted in the minutes of the following open Board meeting. No Member has the right to attend an Executive Session except in situations involving a disciplinary hearing or the discussion of a payment plan; in such cases, only the Member who is the subject of the disciplinary hearing or payment plan request may attend the Executive Session and address the Board.

Section 6.8. Recording. No meeting of the Board or any Committee may be electronically recorded without the prior consent of the Person presiding over the meeting.

**ARTICLE VII
COMMITTEES**

Section 7.1. Generally. The Board may appoint and utilize such committees, as it deems appropriate in carrying out the purposes of the Association.

Section 7.2. Limits on Committee Authority. No committee shall have the power to:

- 7.1(a)** take any final action on any matter that requires the approval of the Members,
- 7.1(b)** fill vacancies on the Board or any committee,
- 7.1(c)** amend or repeal Bylaws or adopt new Bylaws,
- 7.1(d)** amend or repeal any resolution of the Board or
- 7.1(e)** appoint committees of the Board or Members.

**ARTICLE VIII
DUTIES AND POWERS OF THE BOARD**

Section 8.1. Generally. The Board shall have the power or duty to:

8.1(a) To call Special Meetings of the Members whenever it deems it necessary.

8.1(b) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require from them security or a fidelity bond for faithful performance of the duties to be prescribed for them.

8.1(c) To conduct, manage and control the affairs and business of the Association, and make rules and regulations not inconsistent with the laws of the State of California, the Governing Documents including the Articles, Declaration and/or the Bylaws of the Association for the guidance of the Officers and management of the affairs of the Association.

8.1(d) To establish, levy and collect Assessments and charges and to regulate and adjust the rate for such Assessments and charges within any proper limitation.

8.1(e) To exercise for the Association all powers, duties and authorities vested in or delegated to the Association or which it may lawfully exercise.

8.1(f) To appoint Directors in to fill vacancies on the Board.

8.1(g) To appoint Inspectors of Election.

8.1(h) To adopt parliamentary procedures for conducting Member meetings.

8.1(i) To adopt a schedule of fines and utilize due process procedures as provided for by law.

8.1(j) To interface with County and other governmental entities to promote the best interests of the Members and the community.

8.1(k) Regardless of other powers, the **Board** shall not have the power to sell any Association property without prior approval of a majority of a quorum of Members.

Section 8.2. Director Inspection Rights. Every Director shall have a right at any reasonable time to inspect all books, records, documents, and minutes of the Association and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents. The Board may adopt reasonable restrictions on review of ballots in order to preserve Member expectations of confidentiality. A Director's record inspection rights may be limited in situations where inspection of the requested records is sought by the Director in connection with a claim that is or may become adverse to the Association.

Section 8.3. Rules. The Board shall have the power, pursuant to the provisions in the Davis-Stirling Act, to adopt and establish rules and policies consistent with the Declaration, governing the use of San Lorenzo Village and the conduct of the Members and their guests, tenants or others on the premises.

Section 8.4. Administrator. The Board may employ the services of an Administrator to conduct the business of the Association. The Board may delegate to the Administrator any of the day-to-day duties and powers of the Board or its officers; however, the Administrator shall at all times remain subject to the general control of the Board.

Section 8.5. Enforcement. The Association shall have the power to enforce the provisions of the Governing Documents.

ARTICLE IX DEFENSE AND INDEMNIFICATION

Section 9.1. Member Responsibility. Each Member shall be liable to the Association for any damage to the Common Areas or areas which the Association must maintain, repair or replace caused (directly or indirectly) by the Member or his or her family, guests, invitees or lessees (including negligence or willful misconduct or otherwise). Such damage may be the subject of a hearing and

become the subject of a Reimbursement Assessment. Each Member shall protect, defend, hold harmless and indemnify the Association for any third-party claim arising out of such conduct.

Section 9.2. Indemnification by Association of Directors and Officers. The Association shall, to the fullest extent permitted by law, protect, defend and indemnify its past or present Directors, Officers and Committee members from potential liability for their activity while acting in good faith and engaged in Association business. Such protection may include that provided for in (a) the Association's insurance, including the liability insurance in the case of damage to person or property, and/or (b) the Corporations Code, specifically section 7237. In the event that any claim of indemnification is made to the Association by such individual, the Association shall, in a timely way, tender the claim to its broker and/or insurance carriers. To the extent that the individual seeking indemnification has exposure to any uninsured loss, the Association shall also submit the matter to its counsel for a legal opinion as to Association obligations.

Section 9.3. Advancement of Expenses. To the fullest extent permitted by law, the Association shall, consistent with Corporations Code section 7237(f), advance all costs of defense of an Officer, Director or Committee Member, if such costs of defense are not being provided by insurance.

Section 9.4. Insurance. The Association shall have the power to purchase and maintain that insurance commonly known as Directors and Officers Liability Insurance. It should be noted that this is separate and distinct from general liability insurance, which covers damage to Persons and property.

Section 9.5. Limitations on Personal Liability of Individual Directors/Officers.

9.5(a) No action shall be brought against an individual Director or Officer unless expressly permitted by the provisions of Civil Code § 5800.

9.5(b) No suit or action against a Director or Officer or other volunteer of the Association personally shall be sustainable in any court unless commenced within the earliest of twelve (12) months of the date claimant knew or should have known of alleged misconduct and/or the inception of damage or injury.

**ARTICLE X
TAX EXEMPT STATUS**

Section 10.1. Tax-Exempt Status. The Board shall take all steps reasonably possible to ensure the continued tax exempt status of the Association.

Section 10.2. Filing. The Board shall cause to be timely filed an annual designation for tax-exempt status as may be required under federal or state law. It shall cause the Association to comply with the statutes, rules and regulations adopted by federal and state agencies pertaining to such exemptions.

**ARTICLE XI
DEFINITIONS**

Section 11.1 "Articles" means the **Articles** of Incorporation of the San Lorenzo Village Homes Association, as amended from time to time.

Section 11.2. "Assessment" means a Regular, Special, Extraordinary Expense or Reimbursement Assessment made or assessed against an Owner and his or her Lot in accordance with the provisions of the Davis-Stirling Act and the Declaration.

Section 11.3. "Association" means the SAN LORENZO VILLAGE HOMES ASSOCIATION, a California nonprofit mutual benefit corporation, its successors and assigns.

Section 11.4. "Board" or "Board of Directors" means the governing body of the Association.

Section 11.5. "Bylaws" means these Bylaws of the Association, as may be amended from time to time.

Section 11.6. "Common Area" means all of the real property and improvements thereon owned and/or controlled by the Association, including mutual or reciprocal easement rights, for the common use and benefit of the Members.

Section 11.7. “Davis-Stirling Act” means the Davis-Stirling Common Interest Development Act. It is a set of statutes governing Common Interest Developments, which starts with California Civil Code Section 1350.

Section 11.8. “Declaration” means the Declaration of Covenants, Restrictions, Reservations, Servitudes, Easements, Liens and Charges Affecting the Real Property known as San Lorenzo Village (as Restated and Reorganized in 2000) for each of the tracts which comprise the San Lorenzo Village Homes Association, and any further revisions or amendments. The term **Declaration** is interchangeable with the term "Covenants, Conditions and Restrictions" or "CC&Rs".

Section 11.9. “Governing Documents” means collectively the Declaration, these Bylaws, the Articles, rules, and any policies or guidelines approved and adopted by the **Board**, and any amendments to such documents.

Section 11.10. “Lot” means any plot of land, whether improved or unimproved, shown on a recorded subdivision maps of San Lorenzo Village Homes, with the exception of the Common Area. Each **Lot** specifically includes any and all improvements on it, including the residence itself.

Section 11.11. “Member” means the owner of record on title, whether one or more Persons or entities, having a fee simple title to or undivided fee interest in any **Lot**. This includes contract purchasers, but excludes Persons having any interest merely as security for the performance of an obligation.

Section 11.12. “Person” means a natural person, corporation, partnership, trustee or other legal entity. This term includes any owner, Member, a family member, tenant, resident, guest or invitee.

ARTICLE XII MISCELLANEOUS

Section 12.1. Amendment of Bylaws. These **Bylaws**, including **Exhibit A**, may be adopted, amended, repealed or revised as follows:

12.1(a) By the Board, subject to the rights of the Members as shown in **12.1(b)** below, providing that the proposed changes shall not be adopted before they are publicly read and considered at not less than two meetings, and there shall elapse at least twenty-five (25) calendar days between the date of the first reading and the date they are considered for adoption. The motion for adoption must be approved by at least three (3) Directors present at the meeting.

12.1(b) In the alternative, these Bylaws may be amended or repealed by the vote of a majority of a quorum of Members at a meeting duly called for such purpose.

12.1(c) In no event, however, shall **Section 8.1(k)** be amended except upon approval of a majority of a quorum of **Members** at a meeting duly called for such purpose.

Section 12.2. Conflict. In the case of any conflict between the Articles and these Bylaws, the Bylaws shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 12.3. Fiscal Year. The fiscal year of the Association shall be July 1 through June 30, unless otherwise determined by the Board.

SECRETARY'S CERTIFICATION

As Secretary of the corporation known as the San Lorenzo Village Homes Association, I hereby certify that the foregoing amended Bylaws consisting of 11 pages (excluding the Table of Contents), were duly adopted by the **Board** of said Association on the ___ day of _____, 20___ and that they are now the official Bylaws.

By: Diane Wydler
Secretary of San Lorenzo Village Homes Association

Exhibit A follows.