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OF

ODD FELLOWS SIERRA HOMEOWNERS' ASSOCIATION

ARTICLE I. DEFINITIONS

Section 1.01. Project Defined. "Project" shall mean all of that certain real property located in the County of Tuolumne, State of California, commonly known as I.O.O.F. Odd Fellows Sierra Camp Subdivision Nos. 1 and 2.

Section 1.02. Declaration Defined. "Declaration" shall mean that certain Declaration of Covenants, Conditions, and Restrictions applicable to the Project and filed in the Office of the Recorder of the County of Tuolumne, on August 29, 1986, in Book 834, at page 60, and following, as the same may be amended from time to time in accordance with the terms thereof.

Section 1.03. Other Terms Defined. Other terms used herein shall have the meaning given to them in the Declaration and are hereby incorporated by reference and made a part hereof.

ARTICLE II. OBJECTIVES AND PURPOSES

Section 2.01. General Objectives. The objectives of this corporation shall be generally:

- a. To promote the health, safety, and welfare of its Members;
- b. To exercise all of the powers and privileges and to perform all of the duties and obligations of the Association;
- c. To fix, levy, collect, and enforce payment of any charges or assessments as set forth in the Declaration; to pay all expenses in connection therewith and all office and other expenses incidental to the conduct of the business of the Association, including all licenses, taxes, or governmental charges levied or imposed against the property of the Association;
- d. To acquire (by gift, purchase, or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use, or otherwise dispose of real or personal property in connection with the affairs of the Association;
- e. To borrow money, mortgage, pledge, deed and trust, or hypothecate any and all of its real or personal property as security for money borrowed or debts incurred;

f. To have and to exercise any and all powers, rights, and privileges which a corporation organized under the General Nonprofit Corporation Law of the State of California by law may now or hereafter have or exercise;

g. To act in the capacity of principal, agent, joint venture, partner, or otherwise; and

h. To provide water service to its Members on a not-for-profit basis.

ARTICLE III. QUALIFICATIONS FOR MEMBERSHIP

Section 3.01. Membership. The sole qualification for membership shall be ownership of a lot in the Project and the recording with the Recorder of the County of Tuolumne a short form of the Covenants, Conditions, and Restrictions described in Section 1.02 hereof with respect to each lot owned. No membership may be separated from the property to which it is appurtenant; provided, however, that the privileges of ownership may be exercised by a nominee of an Owner designated in writing so long as (1) the nominee is a resident on the property to which the membership is appurtenant; (2) no charges made for use of the membership in excess of the amount of any assessments levied against the Owner by reason thereof; and (3) any such assignment of the privileges is revocable at the will of the Owner.

Section 3.02. Water Voting. Any provision in these Bylaws to the contrary notwithstanding, if a lot in the Project has not had the short form of the Covenants, Conditions, and Restrictions referred in Section 3.01 recorded against it, the Owner of such lot nevertheless shall be entitled to attend Association meetings and to vote on all matters pertaining to the Association's providing of water to its Members, including without limitation matters pertaining to rates charged water users and water use agreements with water suppliers. He furthermore shall receive those portions of required Association reports to Members dealing with water use and accounting and shall be entitled to inspect all Association books and records pertaining thereto.

Section 3.03. Proof of Membership. No person or persons shall exercise the rights of membership until satisfactory proof has been furnished to the Secretary of the Association of qualification as a Member or nominee of a Member. Such proof may consist of a copy of a duly executed and acknowledged deed and short form of the Declaration or a title insurance policy showing said persons or the person nominating him as qualified in accordance herewith.

Section 3.04. No Additional Qualifications. No initiation fees, costs, or dues shall be assessed against any person as a condition upon his exercise of the rights of membership except such assessments, levies, and charges as are specifically authorized under the Articles of Incorporation or the Declaration.

Section 3.05. Certifications of Membership. The Board of Directors may provide for the issuance of certificates evidencing membership in the Association which shall be in such form as may be determined by the Board in accordance with Corporations Code Section 7313. All certificates evidencing membership shall be consecutively numbered. The name and address of each Member and the date of issuance of the certificate shall be entered on the records of the Association maintained by the Secretary. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board may direct.

ARTICLE IV. VOTING RIGHTS

Section 4.01. Voting Structure. The voting rights of Members are set forth in Article III of the Declaration, all of which are hereby incorporated by reference herein and as if set forth in full.

Section 4.02. Voting by Proxy. Each Member may vote in person or by proxy in accordance with Section 5.10 below.

Section 4.03. Cumulative Voting. Cumulative voting, as more particularly defined in Section 7.02 below, is permitted during the election of Directors.

Section 4.04. Manner of Casting Votes. Voting may be by voice or ballot, provided that any election of Directors must be by secret written ballot.

Section 4.05. Percentage Required. If a quorum is present, the affirmative vote of the majority of the Members represented at the meeting entitled to vote and voting on any matter (other than the election of Directors) shall be the act of the Members, unless the vote of a greater number or voting by classes is required by the California Nonprofit Corporation Law or by the Articles of Incorporation.

ARTICLE V. MEETINGS OF MEMBERS

Section 5.01. Annual Meetings. Thereafter, the annual meeting of the Members of the Association shall be held on the Sunday immediately preceding the day on which Memorial Day is celebrated immediately following the annual Shareholders meeting of ODD FELLOWS SIERRA RECREATION ASSOCIATION.

Section 5.02. Special Meetings. Special meetings of Members for any lawful purpose may be called at any time by a majority of a quorum of the Board or by five percent (5%) or more of the Members. If a special meeting is called by Members other than the Board, the request shall be submitted by such Members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to

the President, Vice President, or Secretary of the Association. The Officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, in accordance with the provisions of Sections 5.04 and 5.06 of these Bylaws, that a meeting will be held and the date for such meeting, which date shall not be less than thirty-five (35) nor more than ninety (90) days following the receipt of the request. If the notice is not given within the twenty (20) days after receipt of the request, the persons requesting this meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or effecting the time when a meeting of Members may be held when the meeting is called by action of the Board of Directors.

Section 5.03. Place. Meetings of the Members shall be held at the Recreation Hall, Odd Fellows Sierra Park, of Tuolumne County, California, or at a meeting place as close thereto as possible as the Board may specify in writing.

Section 5.04. General Notice Requirements. All notices of meetings of Members shall be sent or otherwise given not less than thirty (30) nor more than ninety (90) days before the date of the meeting. The notice shall specify the place, date, and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, and no other business may in that case be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of giving the notice, intend to present for action by the Members.

Section 5.05. Notice of Agenda Items. If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s):

- a. Removing a Director without cause;
- b. Filling vacancies on the Board of Directors by the Members;
- c. Amending the Articles of Incorporation;
- d. Approving a contract or transaction in which a Director has a material financial interest; and
- e. Approving a plan of distribution of assets.

Section 5.06. Manner of Giving Notice. Notice of any meeting of Members shall be given either personally or by first-class mail, telephone, or other written communication, charges prepaid, addressed to each Member either at the address of that Member appearing on the books of the corporation or the address given by the Member to the corporation for the purpose of notice. If no address appears on the corporation's books and no other has been

given, notice shall be deemed to have been given if either (i) notice is sent to that Member by first-class mail, telegraphic, or other written communication to the corporation's principal executive office, or (ii) notice is published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication. An affidavit of mailing or other means of giving any notice of any Members' meeting may be executed by the Secretary, Assistant Secretary, or any other party of the Association giving the notice and, if so executed, shall be filed and maintained in the Minute Book of the Association.

Section 5.07. Quorum. The presence either in person or by proxy, at any meeting, of Members entitled to cast at least twenty-five percent (25%) of the membership shall constitute a quorum for any action except as otherwise provided in the Articles, Declaration, or these Bylaws. The Members present at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the Members represented at the meeting, either in person or by proxy. But in the absence of a quorum, no other business may be transacted at that meeting, except as otherwise provided in this Section.

Except as provided below, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement of the time and place thereof at the meeting at which such adjournment is taken. An adjournment for lack of a quorum by those in attendance shall be to a date not less than five (5) days and not more than thirty (30) days from the original meeting date. If a time and place for the adjourned meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for the adjourned meeting after adjournment, notice of the time and place of the adjourned meeting shall be given to members in the manner prescribed for regular meetings.

Section 5.08. Waiver of Notice or Consent by Absent Members. The transactions of any meeting of Members, either annual or special, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy and if, either before or after the meeting, each person entitled to vote, who was not present in person or by proxy, signs a written waiver of notice or a consent to a holding of the meeting, or an approval of the minutes. The waiver of notice or consent may

not specify either the business to be transacted or the purpose of any annual or special meeting of Members, except that if the action is taken or proposed to be taken for approval of any of those matters specified in Section 5.05, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance by a person at a meeting shall also constitute a waiver of notice of that meeting, except when the person objects at the beginning of the meeting to the transaction of any business due to inadequacy or illegality of the notice. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting if that objection is expressly made at the meeting.

Section 5.09. Action by Written Consent Without a Meeting. Any action that may be taken at any annual or special meeting of Members may be taken without a meeting and without prior notice if written ballots are received from a number of Members at least equal to a quorum applicable to a meeting of Members. All such written ballots shall be filed with the Secretary of the Association and maintained in the corporate records. All solicitations of ballots shall be in a manner consistent with the requirements of Sections 5.06 and 5.10 and shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of Directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.

Section 5.10 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing, signed by the Member, and filed with the Secretary of the Association. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of such Member. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise specially provided in the proxy.

Section 5.11. Assessments. The foregoing provisions notwithstanding, annual and/or special assessments may be levied only in accordance with the requirements and provisions of the Declaration.

ARTICLE VI. BOARD OF DIRECTORS

Section 6.01. Number. The affairs of this Association shall be managed by a Board of Directors, consisting of nine (9) persons, who must be Members of the Association.

Section 6.02. Term. Directors shall be elected at each annual meeting of the Members, to hold office until the next annual meeting; however, if any annual meeting is not held or the

Directors are not elected at any annual meeting, they may be elected at any special Members' meeting held for that purpose. Each Director, including a Director elected to fill a vacancy or elected at a special Members' meeting, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified.

After the organizational meeting, the incorporators shall appoint three (3) Directors to three (3) year terms, three (3) Directors to two (2) year terms, and three (3) Directors to one (1) year terms. Thereafter, three (3) Directors shall be elected at each annual meeting of the Members to hold office for three (3) year terms; however, if any annual meeting is not held or if the Directors are not elected at any annual meeting, they may be elected at any special Members' meeting held for that purpose. Each Director, including a Director elected to fill a vacancy or elected at a special Members' meeting, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified.

Section 6.03. Removal. Unless the entire governing body is removed from office by the vote of Association Members, no individual Director shall be removed prior to the expiration of a term of office if the votes cast against removal would be sufficient to elect said individual Director if voted cumulatively at an election at which the same total number of votes were cast and the entire number of Directors authorized at the time of the most recent election of the Board of Directors were then being elected.

Section 6.04. Resignation. Except as provided in this paragraph, any Director may resign, which resignation shall be effective on giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the resignation to become effective.

Section 6.05. Vacancies. A vacancy in the Board of Directors shall be deemed to exist in the case of a death, resignation, or removal of any Director, if the authorized number of Directors is increased, or if the Members shall fail at any annual or special meeting of the Members at which Directors are elected to elect the full authorized number of Directors to be voted for at that meeting. Vacancies in the Board of Directors shall be filled by the runners-up in order of finish in the prior election of Directors. If such runners-up are insufficient to fill the vacancies, the vacancies shall be filled as follows:

a. Except for a vacancy created by the removal of a Director, vacancies may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, and each Director so elected shall hold office until his successor is elected in an annual or special meeting of the Members. A vacancy in the Board of Directors created by the removal of a Director may only be filled by the vote of a majority of the

Members entitled to vote in person or by proxy at a duly held meeting at which a quorum is present, or by the written consent of the holders of a majority of the outstanding memberships.

b. The Members may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors. Any such election by written consent shall require the consent of holders of a majority of the outstanding memberships entitled to vote.

Section 6.06. Compensation. A Director shall not receive any compensation for any services he may render to the Association; provided, however, that any Director may be reimbursed for actual and reasonable out-of-pocket expenses incurred by him in the performance of his duties.

Section 6.07. Powers and Duties. The Board shall have the powers and duties and shall be subject to the limitation on any such powers as enumerated in the Declaration and the California Nonprofit Corporation Law.

ARTICLE VII. NOMINATION AND ELECTION OF DIRECTORS

Section 7.01. Nomination. Nomination for election to the Board of Directors shall be made from the floor at the annual meeting of the Members.

Section 7.02. Election. Voting for Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the highest number of votes shall be elected. Each Member may cumulate his votes and give one (1) candidate a number of votes equal to the number of Directors to be elected multiplied by the number of votes to which he is entitled or distribute his votes on the same principle among as many candidates as he thinks fit.

ARTICLE VIII. MEETINGS OF DIRECTORS

Section 8.01. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places as may be designated by the Board of Directors in writing. Notice of the time and place of such meetings shall be posted at a prominent place within the Project and shall be communicated to Board members not less than four (4) days prior to the meeting.

Section 8.02. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President of the Association or by any two (2) Directors other than the President. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. Notice of any special meeting must be given to each Director not less than three (3) days nor more than

fifteen (15) days prior to the date fixed for such meeting by written notice delivered personally or sent by mail or telegram to each Director at his address as shown in the records of the Association. A copy of such notice shall be posted in a prominent place in the Project at least three (3) days prior to the date of the meeting.

Section 8.03. Quorum. A majority of the Board shall constitute a quorum and, if a quorum is present, the decision of a majority of the Board present shall be the act of the Board.

Section 8.04. Meetings. Regular and special meetings of the Board shall be open to all Members of the Association; provided, however, the Association Members who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by a vote of at least fifty percent (50%) of a quorum of the Board.

Section 8.05. Executive Session. The Board, with the approval of a quorum, may adjourn a 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.

Section 8.06. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (i) a quorum is present, and (ii) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 8.07. Adjournment. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 8.08. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 8.09. Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board, individually or

collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. If the Board resolves by unanimous written consent to take an action, an explanation of the action taken shall be posted at a prominent place in the Project within ten (10) days after the written consents of all members have been obtained.

ARTICLE IX. OFFICERS

Section 9.01. Enumeration of Officers. The Officers of this Association shall be a President and Vice-President, who shall at all times be Members of the Board of Directors, a Secretary and Treasurer, and such other Officers as the Board may from time to time by resolution create.

Section 9.02. Term. The Officers of this Association, except such Officers as may be appointed in accordance with Section 9.03 or 9.05 of this Article, shall be elected annually by the Board and shall hold their offices for one (1) year unless they shall sooner resign or be removed, or otherwise be disqualified to serve.

Section 9.03. Special Appointments. The Board may appoint such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

Section 9.04. Resignation and Removal. Any Officer may be removed from office either with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. The removal of any Officer who also serves as a Board member shall not automatically cause his removal from the Board without compliance with Section 6.03 of Article VI above. Such resignation shall take effect at the date of receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Upon resignation or removal of an Officer, the position shall be filled in the manner prescribed in the Bylaws for regular appointment to such office. The appointee to such vacated office shall serve the remainder of the term of the Officer he replaces.

Section 9.05. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall be appointed to more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 9.03 of this Article.

Section 9.06. Compensation. An Officer shall not receive any compensation for any service he may render to the Association; provided, however, that any Officer may be reimbursed for actual

and reasonable out-of-pocket expenses incurred by him in the performance of his duties.

ARTICLE X. PRESIDENT

Section 10.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one (1) of its number as President.

Section 10.02. Duties. The President shall:

a. Preside over all meetings of the Members and of the Board;

b. Sign as President all deeds, contracts, and other instruments in writing which have been first approved by the Board unless the Board, by duly adopted resolution, has authorized the signature of a lesser Officer;

c. Call meetings of the Board whenever he deems it necessary and in accordance with the rules and upon notice agreed upon by the Board. The notice shall, with the exception of emergencies, in no event be less than three (3) days; and

d. Have, subject to the advice of the Board, general supervision, direction, and control of the affairs of the Association and discharge such other duties as may be required of him by the Board.

ARTICLE XI. VICE-PRESIDENT

Section 11.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect one of its Members to act as Vice-President.

Section 11.02. Duties. The Vice-President shall:

a. Act in place and in the stead of the President in the event of his absence, inability, or refusal to act; and

b. Exercise and discharge such other duties as may be required of him by the Board. In connection with any such actual duties, the Vice-President shall be responsible to the President.

ARTICLE XII. SECRETARY

Section 12.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Secretary.

Section 12.02. Duties. The Secretary shall:

a. Keep a record of all meetings and proceedings of the Board and of the Members;

b. Keep the seal of the Association, if any, and affix it on all papers requiring said seal;

c. Serve such notices of meetings of the Board and the Members required either by law or by these Bylaws;

d. Keep appropriate current records showing the Members of the Association together with their addresses; and

e. Sign as Secretary all deeds, contracts, and other instruments in writing which have first been approved by the Board if said instrument requires a second Association signature unless the Board has authorized another Officer to sign in the place and stead of the Secretary by duly adopted resolution.

ARTICLE XIII. TREASURER

Section 13.01. Election. At the first meeting of the Board immediately following the annual meeting of the Members, the Board shall elect a Treasurer.

Section 13.02. Duties. The Treasurer shall:

a. Receive and deposit in such bank or banks as the Board may from time to time direct all the funds of the Association;

b. Be responsible for and shall supervise the maintenance, books, and records to account for such funds and other Association assets, maintaining a separate accounting relating to providing water to Members;

c. Disburse and withdraw said funds as the Board may from time to time direct, in accordance with prescribed procedures; and

d. Distribute the financial statements for the Association required by the Declaration.

ARTICLE XIV. SUBORDINATE OFFICERS

Section 14.01. Appointment. The Board may appoint such subordinate Officers as it deems desirable from time to time.

Section 14.02. Duties. Such subordinate Officers shall have the duties that the Board may from time to time prescribe, including the right to act in the place and stead of such Officers, other than the President, as the Board may designate.

ARTICLE XV. BOOKS AND RECORDS

Section 15.01. Maintenance of Corporate Records. The corporation shall keep:

a. Adequate and correct books and records of account with a separate accounting relating to providing water to Members;

b. Minutes in written form of the proceedings of its Members, Board, and committees of the Board;

c. A record of its Members, giving their names and addresses.

All such records shall be kept at the corporation's principal executive office, or, if its principal executive office is not in the State of California, at its principal business office in this state.

Section 15.02. Members' Inspection Rights.

a. (i) Any Member of the corporation may inspect and copy the records of Members' names and addresses and voting rights during usual business hours on five days' prior written demand on the corporation, stating the purpose for which the inspection rights are requested, or

(ii) Obtain from the Secretary of the corporation, on written demand and on the tender of the Secretary's usual charges for such a list, if any, a list of names and addresses of Members who are entitled to vote for the election of Directors, and their voting rights, as of the most recent record date for which that list has been compiled, or as of a date specified by the Member after the date of demand. The demand shall state the purpose for which the list is requested. This list shall be made available to any such Member by the Secretary on or before the later of ten days after the demand is received or the date specified in it as the date by which the list is to be compiled.

b. Any Member of the corporation may inspect the accounting books and records and minutes of the proceedings of the Members and the Board and committees of the Board, at any reasonable time, for a purpose reasonably related to such person's interest as a Member.

c. Any inspection and copying under this Section may be made in person or by an agent or attorney of the Member and the right of inspection includes the right to copy and make extracts.

Section 15.03. Maintenance and Inspection of Articles and Bylaws. The corporation shall keep at its principal executive office, or, if its principal executive office is not in the State of California, at its principal business office in this state, the original or a copy of the Articles and Bylaws as amended to date, which shall be open to inspection by the Members at all reasonable times during office hours. If the principal executive office of the corporation is outside the State of California and the corporation has no principal business office in this state, the

Secretary shall, on the written request of any Member, furnish to that Member a copy of the Articles and Bylaws as amended to date.

Section 15.04. Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

Section 15.05. Annual Report to Members.

a. Not later than 120 days after the close of the corporation's fiscal year, the Board shall cause an annual report to be sent to the Members. Such report shall contain the following information in reasonable detail:

(i) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;

(ii) The principal changes in assets and liabilities, including trust funds, during the fiscal year;

(iii) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;

(iv) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year; and

(v) Any information required by Section 6 of this Article.

b. The report required by this Section shall be accompanied by any report thereon of independent accountants, or, if there is no such report, by the certificate of an authorized Officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

Section 15.06. Annual Statement of Certain Transactions and Indemnifications. No later than the time the corporation gives its annual report, if any, to the Members, and in any event no later than 120 days after the close of the corporation's fiscal year, the corporation shall prepare and mail or deliver to each Member a statement of the amount and circumstances of any transaction or indemnification of the following kind:

a. Any transaction(s) in which the corporation, its parent, or subsidiary was a party, and in which either of the following had a direct or indirect financial interest:

(i) Any Director or Officer of the corporation, its parent, or subsidiary (a mere common directorship shall not be considered such an interest); or

(ii) Any holder of more than 10 percent of the voting power of the corporation, its parent, or subsidiary.

Provided, however, that such transaction involved over \$40,000, or was one of a number of transactions with the same person involving in the aggregate more than \$40,000.

b. Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Director of the corporation pursuant to California law, unless such indemnification has already been approved by the Members.

ARTICLE XVI. NOTICES

Section 16.01. Method of Giving Notice. Unless otherwise required, any notice permitted or required to be delivered as provided herein may be delivered either personally or by mail. Unless otherwise stated in these Bylaws, if delivery is by mail, notice shall be deemed to have been delivered seventy-two (72) hours after a copy of the same has been deposited in the United States mail, postage pre-paid, addressed to each such person at the address given by such person to the Secretary of the governing body for the purpose of service of such notice or to the Unit of such person if no address has been given to the Secretary. Such address may be changed from time to time by notice in writing to the Secretary.

ARTICLE XVII. AMENDMENTS

Section 17.01. Amendment of Bylaws. These Bylaws may be amended, at regular or special meeting of the Members, by the affirmative vote (in person or by proxy) or written consent of Members representing a majority of a quorum of members. Notwithstanding the above, the percentage of voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

ARTICLE XVIII. TAX EXEMPT STATUS

Section 18.01. Tax Exempt Status. The Board and Members of the Association shall conduct the business of the Association in such manner that the Association qualify and be considered an organization exempt from federal and state income taxes pursuant to Internal Revenue Code Section 528 and California Revenue and Taxation Code Section 23701t as amended.

Section 18.02. Filing. The Board shall cause to be timely filed any annual election for tax exempt status as may be required under federal or state law, and shall undertake to cause the

Association to comply with the statutes, rules, and regulations which have been or shall be adopted by federal and state agencies pertaining to such exemptions.

ARTICLE XIX. CONSTRUCTION

Section 19.01. Construction. Unless the context requires otherwise, the general provisions, rules, or construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the Association and a natural person.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the presently elected and acting Secretary of ODD FELLOWS SIERRA HOME-OWNERS' ASSOCIATION and that the above Bylaws, consisting of sixteen (16) pages, are the Bylaws of this Association as adopted at a meeting of the Incorporator held on October 12, 1986.

DATED: October 12, 1986



Secretary