

BYLAWS
OF
UNITED HOMEOWNERS' ASSOCIATION II
(A California Nonprofit Mutual Benefit Corporation)

ARTICLE I
NAME

Section 1.01 The name of this corporation shall be United Homeowners' Association II (the "Corporation" or "UHA").

ARTICLE II
PURPOSE

Section 2.01 General Purpose. The Corporation is a nonprofit mutual benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Mutual Benefit Corporation Law (the "Law") to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under the Law.

Section 2.02 Specific Purpose. The specific purpose of the UHA is to further and promote the interests of and to improve the social welfare, economic and environmental conditions affecting the residents of the communities commonly known as Windsor Hills, View Park and View Heights, which are located in the unincorporated area of Los Angeles County, California as depicted on the map attached hereto as Exhibit A (the "UHA Area").

ARTICLE III
OFFICE

Section 3.01 The Board of Directors may fix the location of the principal executive office of the Corporation at any place within the State of California by resolution. The principal office for the transaction of the business of the Corporation shall initially be located at 5701 South Figueroa Street, Los Angeles, California 90037.

ARTICLE IV
MEMBERS

Section 4.01 Classes of Membership. Each person or entity shall become a member of the UHA upon obtaining a publicly-recorded fee title ownership interest in a lot and/or unit within the UHA Area or 1000 feet of Deane Avenue or 62nd Street beyond the UHA Area (the "Adjacent UHA Area") or becoming a resident within the UHA Area or the Adjacent UHA Area. UHA shall have two classes of membership, designated as "General Members" and "Voting Members" (collectively referred to as "Members" or "UHA Members"). All Members may attend any UHA meeting where Members can attend. Members shall be subject to the terms and

provisions of the Articles of Incorporation and these Bylaws, including the UHA Principles attached hereto as Exhibit B (collectively referred to as the “Governing Documents”).

(a) **General Members.**

(i) Any owner or resident of the UHA Area or Adjacent UHA Area over the age of 18 shall qualify as a General Member once the Secretary has received sufficient proof of ownership or residency, as determined by the Board of Directors (a “General Member”).

(ii) All General Members shall have the right to serve on committees.

(b) **Voting Members.**

(i) To qualify as a Voting Member, owners or residents of the UHA Area or the Adjacent UHA Area must satisfy all criteria for General Members and timely pay dues as specified by the Board of Directors (a “Voting Member”).

(ii) Only Voting Members shall have the right to serve on UHA’s Board of Directors or chair committees.

(iii) Only Voting Members shall have the right to vote or act on motions at any meeting.

(iv) Only Voting Members may attend the Annual Meeting.

Section 4.02 Proof of Ownership or Residency. Proof of ownership or residency shall include, but not be limited to, a recorded deed, a current utility bill or property tax bill showing the name of the Member associated with real property located within the UHA Area or Adjacent UHA Area.

Section 4.03 Dues. The Board of Directors shall have discretion to fix the amount of annual dues required for each household, which shall not exceed fifty dollars (\$50) without the vote of a sixty percent (60%) supermajority of the Voting Members present at any UHA meeting. Once its dues are paid, a household shall not be required to pay annual dues again for twelve (12) months. Dues shall be due in January of each calendar year, and all UHA Members are encouraged to pay dues in a timely manner.

Section 4.04 Good Standing. Those General Members and Voting Members who have fulfilled the requirements for membership according to these Bylaws and whose membership is not suspended according to Section 4.05 below shall be considered UHA Members in good standing.

Section 4.05 Suspension of Membership. Membership, including voting rights, may be suspended for violation of the terms and provisions of the Governing Documents.

(a) **Suspension Process.** Any Member in violation of the terms and provisions of the Governing Documents will be provided two (2) written warnings to cease and

desist the conduct or activities and/or cure the violation. Upon prior written notice of the pending suspension, the Member will have at least fifteen (15) days prior to any action being taken to appear before the Board of Directors, the UHA Members or a special committee, as determined by the Board, to explain his or her actions or the violation. The decision of the Board, UHA Members or a special committee, as determined by the Board, shall be final and the suspension shall take effect immediately.

(b) **Final Suspension.** Once suspended, participation in the UHA may only be reinstated once the continuing violation is cured, if applicable, and by the Board of Directors or by the vote of a sixty percent (60%) supermajority of the Voting Members present at any UHA meeting. Any monies paid will not be refunded as a result of suspension.

ARTICLE V **MEMBER MEETINGS**

Section 5.01 Annual Meetings. There shall be an annual meeting each year for the purpose of electing the Board of Directors (the “Annual Meeting”). The Corporation shall hold its Annual Meeting to elect the Board of Directors in the month of October each year. The Board of Directors shall provide notice of the Annual Meeting to the Voting Members at least thirty (30) days, but no more than ninety (90) days prior to the date of the Annual Meeting. Only Voting Members may attend the Annual Meeting.

Section 5.02 General Meetings. General UHA meetings shall be scheduled and called by the Board of Directors at least quarterly, by providing at least seven (7) days’ advance notice to UHA Members.

Section 5.03 Special Meetings. Special meetings of the Members may be called at any time by the President or by a majority of the Board of Directors by providing at least seven (7) days’ advance notice, subject to Section 5.04(a). Special meetings may also be called upon presentation of a written request by at least five percent (5%) of the Voting Members unless the subject of the meeting is a dispute which is resolved prior to the date set or the subject is not for a lawful purpose. No action may be taken at a special meeting that does not fall within the purpose stated on the meeting notice.

Section 5.04 Notice.

(a) **Timing.** The Board of Directors shall provide notice of the Annual Meeting to all UHA Members at least thirty (30) days prior to the date of the Annual Meeting. The Board of Directors shall provide notice to the Members at least seven (7) days prior to the date of any general or special meeting. In the case of an emergency, a special meeting may be called with less than seven (7) days’ advance notice.

(b) **Notice Contents.** Notice of any Member meeting shall specify the place, date, and time of the meeting. All UHA general meetings shall be held at a location within the UHA Area, if practicable. If applicable, the notice shall also specify those matters which will be presented for action by the Voting Members.

(c) **Manner of Giving Notice.** Notice of any meeting of Members shall be given via electronic means, including but not limited to the UHA website or email, or via street signs, telephone calls or first-class mailing.

Section 5.05 Quorum.

(a) **Presence.** A quorum of at least twenty percent (20%) of the Voting Members shall be required in order to act on any matter submitted to a vote. If a quorum is present, the affirmative vote of a simple majority of the Voting Members present, entitled to vote, and voting on any matter shall be deemed the act of the UHA Members unless the vote of a greater number is required by these Bylaws.

(b) **Quorum and Approval Requirements.** A quorum is required for all Member meetings, except there shall be no quorum requirement at the Annual Meeting for the election of the Board of Directors. The approval requirement for all matters put to vote shall be a simple majority of those Voting Members present and entitled to vote unless otherwise provided herein.

(c) **Loss of Quorum.** The Voting Members present at a duly called meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the loss of a quorum, so long as the business is approved by a sufficient number of Voting Members to constitute at least a majority of a quorum, had a quorum been present.

(d) **Adjournment.** Any UHA Member meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the Voting Members represented at the meeting; provided, however, an adjournment for lack of a quorum shall be to a date not less than five (5) days nor more than thirty (30) days from the date the original meeting was called. In the absence of a quorum and unless Section 5.05(c) applies, no business may be transacted, except to adjourn the meeting to another date and time. If a new date for the adjourned meeting is announced prior to adjournment, no further notice need be given to the Members. If, however, a new date is not announced prior to adjournment, the President (or the remaining Directors, in the President's absence or failure to act) may set the date for a subsequent meeting and shall cause notice of the date, time, and place of such meeting to be given to the UHA Members at least four (4) days in advance of the meeting.

Section 5.06 Minutes. Minutes shall be recorded at all meetings and available for review by Members within thirty (30) days after a meeting, in draft, summary or final form. The official minutes shall be the written summary of a meeting prepared by the Secretary or his or her designee and approved by the Voting Members.

Section 5.07 No Recordings. Audio and video recording of meetings are prohibited by anyone other than a person authorized by the Board of Directors to record the meeting for the sole purpose of preparing official minutes.

Section 5.08 Meeting Conduct. All UHA meetings shall operate according to the simplified version of Robert's Rules of Order attached hereto as Exhibit C and shall be conducted in accordance with the UHA Principles and a spirit of collegiality where healthy and respectful debate is encouraged. The President, Vice President or their designee shall chair the

meeting, and Members must be recognized by the chair in order to speak. Motions must be made and seconded by Voting Members to be considered, and debate can be extended or silenced at any time by a two-thirds (2/3) vote of the Voting Members present. The Board shall appoint a Parliamentarian to be present at all general meetings to resolve any procedural issues or questions.

ARTICLE VI **VOTING**

Section 6.01 Voting of Members.

(a) **Vote Per Voting Member.** Voting rights are based on one (1) vote per household, subject to Section 6.01(b) below. Each Voting Member shall be entitled to cast one (1) vote only for the entire household on any matter submitted to a vote by the Members.

(b) **Absentee Owners.** Owners who do not reside on the property but pay annual dues to become Voting Members shall be entitled to have one vote only no matter how many separate properties they own within the UHA Area or Adjacent UHA Area.

Section 6.02 Voting Practices.

(a) **Proxy Voting.** Proxy voting on behalf of absent Voting Members shall not be allowed.

(b) **Fractional Voting.** Fractional votes shall not be allowed.

Section 6.03 Voting Process. The meeting chair shall be empowered to determine whether it is appropriate to use a voice vote, show of hands or secret ballot to vote on particular matters before the Members. All voting at the Annual Meeting shall be done using secret ballots. Ballots shall be distributed to all Voting Members in attendance at the balloting site, or prior to the Annual Meeting in a manner that preserves ballot secrecy and integrity.

ARTICLE VII **ELECTION OF DIRECTORS**

Section 7.01 Director Qualifications. To be nominated for and maintain a position on the Board of Directors, candidates or directors must meet the following requirements:

(a) **Age Requirement and Residency.** The person must be at least twenty-one (21) years old and an owner of property or a resident within the UHA Area or Adjacent UHA Area. Proof of residency shall be subject to Section 4.02. The person must have resided in the UHA Area or Adjacent UHA Area for at least one (1) year continuously before being eligible to serve on the Board of Directors and then must reside in the UHA Area or Adjacent UHA Area for the majority of every year he or she serves on the Board of Directors.

(b) **Co-Owners Eligible for Only One Position.** The person must not be related to, have a record fee simple ownership interest or be a resident with another person or be affiliated with an entity whose representative will concurrently serve as a Director. Where two (2) or more co-owners or related parties concurrently seek election to the Board of Directors, only the first nomination will be effective.

(c) **Good Standing.** The person must be a Voting Member in good standing in accordance with Section 4.04.

(d) **No Litigation.** The person must not be a party in any legal proceeding against the UHA or its Officers or Directors.

(e) **Background Check.** Each person who is elected to the Board of Directors must submit to a background check pursuant to UHA policy.

(f) **Prior Committee Participation.** The person shall have served on a UHA committee for at least one (1) year prior to serving on the Board of Directors. The Board may make exceptions to this requirement on a case-by-case basis.

Section 7.02 Nominations. The Board of Directors shall give thirty (30) days' notice in advance of the date of the Annual Meeting to UHA Members in order to solicit nominees to serve on the Board. Notice may be provided via electronic means, including but not limited to the UHA website or email, or via street signs or first-class mailing. The notice shall provide the deadline by which candidates must submit their materials and include the list of qualifications provided in Section 7.01. Candidates may be nominated by other Voting Members and shall be allowed to nominate themselves. Directors shall be elected at the Annual Meeting as provided in Section 5.01 and in accordance with this Article VII.

Section 7.03 Voting for Directors. Voting Members are entitled to one (1) vote per open seat. The candidates receiving the highest number of votes shall be elected to serve as Directors.

Section 7.04 Election Special Committee. The purpose of the Election Special Committee is to oversee the election of the Board of Directors. The election of Directors shall be presided over by a special committee comprised of at least three (3) Voting Members. The Election Special Committee shall be responsible for: (i) distributing ballots, (ii) collecting ballots, (iii) verifying eligibility requirements, (iv) tallying ballots at the Annual Meeting, (v) recording results, (vi) verifying results and (vii) reporting election results to the Board and the UHA Members immediately thereafter. None of the members of the Election Special Committee shall be running for a position or have a relative who is running for a position.

Section 7.05 Resolving a Tie. If a tie exists for a Director's seat, tie votes will be resolved by the following procedures: (i) Voting Members shall receive a tie breaker ballot prepared by the Election Special Committee; (ii) the candidate receiving the most votes on the tie breaker ballot wins; and (iii) if a tie still remains, the tie shall be broken by the toss of a coin.

Section 7.06 Reporting of Results. Election results shall be announced at the Annual Meeting once all votes have been tallied and verified, and shall be made available to all UHA Members by electronic means or at a general meeting within fifteen (15) days.

ARTICLE VIII **DIRECTORS**

Section 8.01 Number of Directors. The authorized number of Directors shall be not less than five (5) nor more than nine (9), with the exact number of Directors to be fixed, within the limits specified, by resolution of the Board of Directors or a majority of the Voting Members. The authorized number of Directors shall be an odd number.

Section 8.02 Term and Term Limits. Each Director shall serve for a term of two (2) years or until a qualified successor is elected to fill his or her seat. Directors may only serve for three (3) consecutive terms and thereafter must step down from the Board for at least one (1) year. The term of office for each Director may be staggered to allow for some continuity of leadership if so determined by resolution of the Board.

Section 8.03 Powers. Subject to the provisions of the Law, the business and affairs of the Corporation shall be managed by the Board of Directors. In addition to the powers and duties set forth in the Corporation's Governing Documents, the Board shall have the power to perform any and all other acts that a nonprofit mutual benefit corporation is empowered to do in the administration of the Corporation's affairs and to protect and advance the general welfare of the Corporation.

Section 8.04 No Compensation. The Corporation shall not pay any compensation to Officers and Directors for services rendered to the Corporation. Officers and Directors may be reimbursed for actual expenses incurred in the performance of their duties to the Corporation, in reasonable amounts as approved by the Board, with appropriate documentation.

Section 8.05 Conflicts of Interest. In accordance with the UHA Conflict of Interest policy attached hereto as Exhibit D, the Corporation shall not enter into any contract with any party in which any Director, management company, or employee has a direct or indirect economic interest in the contract without: (i) full disclosure of the interest to the Board of Directors; (ii) full disclosure of the interest, in the minutes of the Board meeting where the discussion occurred; and (iii) recusal from the deliberations and voting by the interested party.

Section 8.06 Duty to Defend. The Corporation shall indemnify and defend and shall advance reasonable attorneys' fees and costs and all expenses and liabilities its Officers, Directors, committee members, and employees reasonably incur in connection with any proceeding to which they may be a party by reason of having been an Officer, Director, committee member, or employee of the Corporation. However, the Corporation may recover its attorneys' fees and costs from those persons who are adjudged to have acted in bad faith or in gross negligence in the performance of their duties or to be liable to the Corporation (unless a court determines that the person is fairly and reasonably entitled to indemnity for expenses).

ARTICLE IX
REMOVAL OF DIRECTORS

Section 9.01 Removal of Director by the Board. By vote at a duly noticed meeting of the Board of Directors, a majority of the Board may declare vacant the office of any Director who: (i) ceases to meet the qualifications of a Director as provided in Section 7.01, (ii) has been declared of unsound mind by a final order of court; (iii) has been absent from three (3) meetings of the Board or four (4) general meetings within any twelve (12) month period; or (iv) allows a proposed contract or other transaction to be put to a vote by the Board or the Members without disclosing that he or she will receive a financial benefit from the transaction. However, before any such removal may occur, the Board shall, at a Board meeting or a special meeting called for this purpose, review evidence and make a finding whether the Director should be removed and, if the Board makes such a finding, the Board shall remove the Director from the Board and shall record its findings and action in the minutes of the meeting.

Section 9.02 Removal of Director by Membership. The entire Board of Directors or any individual Director may be removed from office by a majority of those Voting Members represented and voting at a duly held meeting at which a quorum is present. In the event that any or all Directors are so removed, new Directors shall be elected by special election of the Voting Members.

Section 9.03 Resignation. Any Director may resign upon giving written notice to the President, the Secretary, or the Board of Directors. A resignation shall be effective upon the giving of the notice, unless the notice specifies a later time for its effectiveness. If the resignation of a Director is effective at a future time, the Board may elect a successor to take office when the resignation becomes effective. A Director may not resign when the Corporation would be left without a duly appointed Director in charge of its affairs.

Section 9.04 Vacancies.

(a) A vacancy or vacancies in the Board of Directors shall be deemed to exist upon the occurrence of any of the following events: (i) the death, incapacity or resignation of any Director; (ii) a declaration by resolution of the Board of a vacancy of the position of a Director who has been declared of unsound mind by final order of any court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under the Law; or (iii) a majority vote by the Voting Members to remove any Director.

(b) Vacancies in the Board of Directors may be temporarily filled by a majority vote of the Voting Members, or by a majority of the remaining Directors, except that a vacancy created by the removal of a Director by a majority of the Voting Members or by court order may be filled only by special election of the Voting Members. Each Director so elected shall hold office until a successor has been elected and qualified via special election of the Voting Members.

(c) No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office.

ARTICLE X
MEETINGS OF THE BOARD

Section 10.01 Regular Meetings. Meetings of the Board of Directors shall be held at least once per month, although the Board may, for good reason, waive a monthly meeting. Such “good reason” shall be set forth in the minutes of the next Board meeting.

Section 10.02 Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President, the Vice President, the Secretary, or any two (2) Directors. Such meetings may be held upon four (4) days’ notice for open session meeting and upon two (2) days’ notice for executive session meetings. In the event of an emergency, the Board may meet with less notice, but must post such notice to the Members and must note in the minutes of the meeting the reason why more notice could not be given.

Section 10.03 Executive Sessions. Executive session meetings of the Board of Directors may be held as authorized by statute. Such purposes include but are not limited to: (i) litigation, (ii) the formation of contracts with third parties, (iii) Member discipline, or (iv) personnel matters. Any matters considered in executive session shall be generally noted in the minutes of the next meeting that is open to the Members.

Section 10.04 Place of Meetings. Regular meetings of the Board of Directors may be held with notice in accordance with the Governing Documents, or from time to time by resolution of the Board. In the absence of the designation of a place, regular meetings shall be held at the principal executive office of the Corporation. Special meetings of the Board shall be held at any place that has been designated in the notice of the meeting or, if not stated in the notice, at the principal executive office of the Corporation.

Section 10.05 Teleconference Meetings. Members of the Board of Directors may participate in a meeting through the use of a conference telephone, electronic video screen, or similar communications equipment, so long as all Directors and Members participating in such meeting can hear one another and the notice of the teleconference meeting identifies at least one (1) physical location so that Members of the UHA may attend, and at least one (1) Director or person designated by the Board is present at that location. Participation in a meeting by teleconference constitutes presence in person at such meeting.

Section 10.06 Notice of Board Meetings.

(a) **Director Notice.** Notice of Board meetings shall be given to each Director, at least four (4) calendar days prior to an open meeting or at least two (2) calendar days before an executive session meeting, to the address, phone number, fax number, or e-mail address listed on the Corporation’s records for the Director.

(b) **Member Notice.** Members shall be given notice of the time and place of Board meetings at least four (4) calendar days prior to the meeting and of executive session Board meetings at least two (2) calendar days prior to the meeting. The notice may be given by posting the notice in a prominent place or places accessible to Members which have been designated for the posting of notices by the UHA. An emergency meeting of the Board may be called if there are circumstances that could not have been reasonably foreseen which require

immediate attention by the Board. In such instances, the Board shall give notice, as may be reasonable and practical.

(c) **Waiver of Notice.** Attendance by a Director at any meeting of the Board shall be a waiver of notice by that Director of the time and place thereof. If all of the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. Whether present at or absent from a meeting, any Director may provide a written waiver of notice or written consent to holding any meeting.

Section 10.07 Quorum. A majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, subject to the provisions of the Law regarding approval of contracts or transactions in which a Director has a direct or indirect material financial interest, appointment of committees, or any other applicable requirements. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 10.08 Adjournment of Board Meetings. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 10.09 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 notice of such time and place shall be given prior to the time of the adjourned meeting, to the Directors who were not present at the time of the adjournment.

Section 10.10 Attendance by Members. Members are entitled to attend regular and special (non-executive session) meetings of the Board. A reasonable amount of time shall be set aside during the meeting for Members to address the Board.

Section 10.11 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 shall individually or collectively consent in writing, including facsimile and telegraphic communications, to such action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent or consents shall be filed with the official minutes of the proceedings of the Board.

Section 10.12 Minutes. Minutes shall be recorded at all meetings and available for review by Members within thirty (30) days after a meeting, in draft, summary or final form. The official minutes shall be the written summary of a meeting prepared by the Secretary or his or her designee.

Section 10.13 No Recordings. Audio and video recording of meetings are prohibited by anyone other than a person authorized by the Board to record the meeting for the sole purpose of preparing official minutes.

Section 10.14 Meeting Conduct. The Board may establish rules for the orderly conduct of its meetings. Board meetings shall be conducted by the President or, in the President's absence, an Officer or Director designated by the Board. All questions of parliamentary procedure shall be decided in accordance with Robert's Rules of Order.

ARTICLE XI **OFFICERS**

Section 11.01 Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary, a Treasurer and such other officers as the Board may designate. The President may not hold more than one (1) office; however, any two (2) of the remaining offices may be held by a single person.

Section 11.02 Election of Officers. The officers of the Corporation shall be chosen by the Board of Directors immediately after the election of Directors at the Annual Meeting. If the Board is unable to determine which of its members shall serve in a particular office, the Voting Members present at the Annual Meeting shall vote to elect Directors to serve in any vacant office.

Section 11.03 Subordinate Officers, Etc. The Board of Directors may appoint, and may empower the President to appoint, such other officers from among the elected Directors as the business of the Corporation may require.

Section 11.04 Term of Office. Officers shall hold office at the pleasure of the Board. Officers shall be appointed by the Board and shall hold office until the election at the Annual Meeting or such time as they resign, are removed or are otherwise disqualified to serve. Within thirty (30) days of the election of Directors each year, the Board shall reappoint Officers. The same persons may be appointed to the same offices.

Section 11.05 Vacancies in Offices. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointment to such office.

Section 11.06 Removal and Resignation of Officers.

(a) Subject to the rights, if any, of an Officer under any contract of employment, any Officer may be removed, either with or without cause, by the Board of Directors, at any regular or special meeting thereof.

(b) Any Officer may resign at any time by giving written notice to the Corporation. Any such resignation shall take effect upon the giving 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. Any such resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party.

Section 11.07 President. Subject to the control of the Board of Directors, the President shall generally supervise the business and the officers of the Corporation. He or she shall preside at all meetings of the Board of Directors. He or she shall have the general powers and duties of

management usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

Section 11.08 Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him or her respectively by the Board of Directors or these Bylaws. The Vice President shall also be responsible for the coordination and oversight of the committee chairpersons.

Section 11.09 Secretary.

(a) The Secretary shall keep or cause to be kept at the principal executive office, or such other place as the Board of Directors may designate, a book of minutes of all meetings and actions of Voting Members, Directors and committees of Directors, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, the names of those present at such meetings, and the proceedings thereof.

(b) The Secretary shall keep or cause to be kept at the principal executive office a record showing the names of all Members, including General Members, Voting Members and Directors and their addresses.

(c) The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors required by these Bylaws or by Law to be given, and shall have such other powers and perform such other duties as may be prescribed by the Board or by these Bylaws.

Section 11.10 Treasurer.

(a) The Treasurer shall keep or cause to be kept accounts of the monies, properties and business transactions of the UHA.

(b) The Treasurer shall cause to be deposited all monies and other valuables, in the name and to the credit of the UHA, with such depositories, as may be designated by the Board.

(c) The Treasurer shall cause to be disbursed the funds of the UHA as may be ordered by the Board.

(d) The Treasurer shall provide a monthly accounting of all funds, which shall be made a part of the minutes of Member meetings. The Treasurer shall ensure that all UHA Members have access to UHA's financial records by posting financial statements to the UHA website and making UHA's financial statements available at general meetings and at the UHA office.

(e) The Treasurer shall render to the President and Directors, whenever they request it, an account of the UHA's transactions and the financial condition of the UHA.

(f) The Treasurer shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

ARTICLE XII **COMMITTEES**

Section 12.01 Establishment of Committees. The Board may, by resolution adopted by a majority of the authorized number of Directors, establish committees as it deems appropriate and necessary, each consisting of two (2) or more Directors, to advise and/or assist the Board in carrying out its duties. The Board shall specify the task of each committee, may limit the term of the committee, and may appoint committee chairpersons, who need not be Board members. Committee chairpersons may be appointed by the Board and, if not appointed, may be elected by members of the committee.

Section 12.02 Standing Committees. The following shall be standing committees:

- (a) Block Captains
- (b) Communications & Outreach
- (c) Finance
- (d) Land Use
- (e) Nuisance
- (f) Public Safety
- (g) Rules

Section 12.03 Term of Office. Committees shall dissolve automatically at each Annual Meeting to be reappointed by the new Board at the Board's discretion. Individual committee members and committee chairpersons may be added or removed at any time by the Board, with or without cause.

Section 12.04 Committee Authority. Except as may be otherwise provided in these Bylaws, committees are advisory only and shall have no authority to spend UHA monies, enter into contracts, or direct UHA personnel or vendors.

Section 12.05 Finance Committee. The Finance Committee shall be responsible for preparing an annual UHA operating budget for the Board's review and approval, which shall include UHA's estimated revenue and expenses based on the accrual method of accounting. The annual budget shall be prepared after the Annual Meeting and presented to the Board no later than November 5th. Upon Board approval, the annual budget shall be posted to UHA's website and be made available to UHA Members at the next general meeting and at the UHA office. The Finance Committee chair shall serve as an additional fiduciary responsible for verifying UHA's deposits, expenditures and other financial information with the Treasurer and other select Board members.

Section 12.06 Audit Committee. The Audit Committee shall convene annually no later than November 5th, and shall be responsible for selecting and working with the independent certified public accountant (“CPA”) retained by UHA to conduct a review of its books and records at the end of each fiscal year (UHA’s fiscal year shall run from January 1st to December 31st). The Audit Committee shall collaborate with the Treasurer and the Board to ensure that an annual report is prepared and provided to UHA Members pursuant to Corporations Code § 8321 which includes a balance sheet as of December 31st, an income statement and a statement of cash flow for the fiscal year. Upon the conclusion of its work, the Audit Committee will disband until it reconvenes again toward the end of the fiscal year.

Section 12.07 Member Comments. Each committee shall receive comments and complaints from Members on any matter within its field of responsibility. Committees shall handle or dispose of such comments or complaints as they deem appropriate or refer them to any other committee, Director, or Officer of the UHA also involved in that matter or to the Board.

Section 12.08 No Compensation. Committee membership is voluntary and Members shall not be compensated for their services. However, committee members may be reimbursed for reasonable expenses incurred in the performance of their duties.

Section 12.09 Meetings. Committees shall meet from time to time as may be necessary to perform their duties. Committees shall make interim reports to the Board during the course of their task and shall make a final report to the Board upon completion of their tasks. Minutes shall be kept of each meeting of any committee and shall be attached to the Board minutes at regular meeting and filed with the records of the Corporation.

Section 12.10 Conflicts of Interest. No committee member may participate in or make recommendations on any matter which involves a committee member or a member of his or her own family or in which a committee member or a member of his or her family has a direct or indirect financial interest.

ARTICLE XIII **INDEMNIFICATION OF DIRECTORS, OFFICERS,** **EMPLOYEES, AND OTHER AGENTS**

Section 13.01 Agents, Proceedings and Expenses. For the purposes of this Article, “agent” means any person who is or was a Director, Officer, employee, or other agent of this Corporation, or is or was serving at the request of this Corporation as a Director, Officer, or employee; “proceeding” means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, or investigative; and “expenses” includes, without limitation, attorneys’ fees and any expenses of establishing a right to indemnification under or Section 13.04 or Section 13.05(b) of this Article XIII.

Section 13.02 Actions Other Than by the Corporation. This Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the right of this Corporation to procure a judgment in its favor) by reason of the fact that such person is or was an agent of this Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in

connection with such proceeding, if that person acted in good faith and in a manner that person reasonably believed to be in the best interests of this Corporation, and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of that person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this Corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 13.03 Actions by the Corporation. This Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of this Corporation to procure a judgment in its favor by reason of the fact that that person is or was an agent of this Corporation, against expenses actually and reasonably incurred by that person in connection with the defense or settlement of that action if that person acted in good faith, in a manner that person believed to be in the best interests of this Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 13.03:

(a) in respect of any claim, issue or matter as to which that person shall have been adjudged to be liable to this Corporation in the performance of that person's duty to this Corporation, unless and only to the extent that the court in which that proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, that person is fairly and reasonably entitled to indemnity for the expenses which the court shall determine;

(b) of amounts paid in settling or otherwise disposing of a threatened or pending action, without court approval; or

(c) of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval.

Section 13.04 Successful Defense by Agent. To the extent that an agent of this Corporation has been successful on the merits in defense of any proceeding referred to in Section 13.02 or Section 13.03 of this Article XIII, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 13.05 Required Approval. Except as provided in Section 13.04, any indemnification under this Article shall be made by this Corporation only if authorized in the specific case upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 13.02 or Section 13.03 of this Article XIII, by:

(a) a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or

(b) the court in which the proceeding is or was pending, upon application made by this Corporation or the agent of the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by this Corporation.

Section 13.06 Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by this Corporation before the final disposition of the proceeding upon approval by a majority of the Voting Members present at any UHA Member meeting.

Section 13.07 Other Contractual Rights. Nothing contained in this Article XIII shall affect any right to indemnification to which persons other than Directors and Officers of this Corporation may be entitled by contract or otherwise.

Section 13.08 Limitations. No indemnification or advance shall be made under this Article XIII, except as provided in Section 13.04 or Section 13.05(b), in any circumstance where it appears:

(a) that it would be inconsistent with a provision of the Governing Documents, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid which prohibits or otherwise limits indemnification; or

(b) that it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 13.09 Insurance. This Corporation shall purchase and maintain insurance on behalf of any agent of the Corporation against any liability which might be asserted against or incurred by the agent in such capacity, or which might arise out of the agent's status as such, whether or not this Corporation would have the power to indemnify the agent against that liability under the provisions of this Article XIII. This Corporation shall obtain, for the benefit of every member of the Board of Directors, directors and officers liability insurance and/or errors and omissions insurance coverage in amounts sufficient to protect the Board from any and all reasonably foreseeable events and/or damages.

Section 13.10 Amendment to California Law. In the event that California Law regarding indemnification of directors, officers, employees and other agents of Corporations, as in effect at the time of adoption of these Bylaws, is subsequently amended to in any way increase the scope of permissible indemnification beyond that set forth herein, the indemnification authorized by this Article XIII shall be deemed to be coextensive with that afforded by California Law as so amended.

ARTICLE XIV **TRANSACTIONS BETWEEN THE CORPORATION** **AND DIRECTORS OR OFFICERS**

Section 14.01 Interested Party Transactions. Except as described in Section 14.02, the Corporation shall not be a party to any transaction:

(a) in which one (1) or more of its Directors or Officers has a material financial interest, or

(b) with any corporation, firm, association, or other entity in which one (1) or more Directors or Officers has a material financial interest.

Section 14.02 Requirements to Authorize Interested Party Transactions. The Corporation shall not be a party to any transaction described in Section 14.01 unless:

(a) the Corporation enters into the transaction for its own benefit;

(b) the transaction is fair and reasonable to the Corporation at the time the transaction is entered into;

(c) prior to consummating the transaction or any part thereof, the Board authorizes or approves the transaction in good faith pursuant to the UHA Conflict of Interest Policy attached hereto as Exhibit D, by a vote of a majority of Directors then in office (without counting the vote of the interested Directors), and with knowledge of the material facts concerning the transaction and the interested Director's or Officer's financial interest in the transaction;

(d) prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable investigation pursuant to Exhibit D that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and

(e) the minutes of the Board meeting at which such action was taken reflect that the Board considered and made the findings described in paragraphs (a) through (d) of this Section 14.02.

Section 14.03 Material Financial Interest. A Director or Officer shall not be deemed to have a "material financial interest" in a transaction:

(a) if the contract or transaction is part of a social benefit program of the Corporation and it (i) is approved or authorized by the Corporation in good faith and without unjustified favoritism, and (ii) results in a benefit to one (1) or more Directors or their families only because they are in the class of persons intended to be benefited by the program; or

(b) where the interested Director has no actual knowledge of the transaction and it does not exceed the lesser of one percent (1%) of the gross receipts of the corporation for the preceding year or \$5,000.

Section 14.04 Loans to Directors or Officers. The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or Officer.

Section 14.05 Duty of Loyalty. Nothing in this Article XIV shall be construed to derogate in any way from the absolute duty of loyalty that every Director and Officer owes to the Corporation. Furthermore, nothing in this Article XIV shall be construed to override or amend

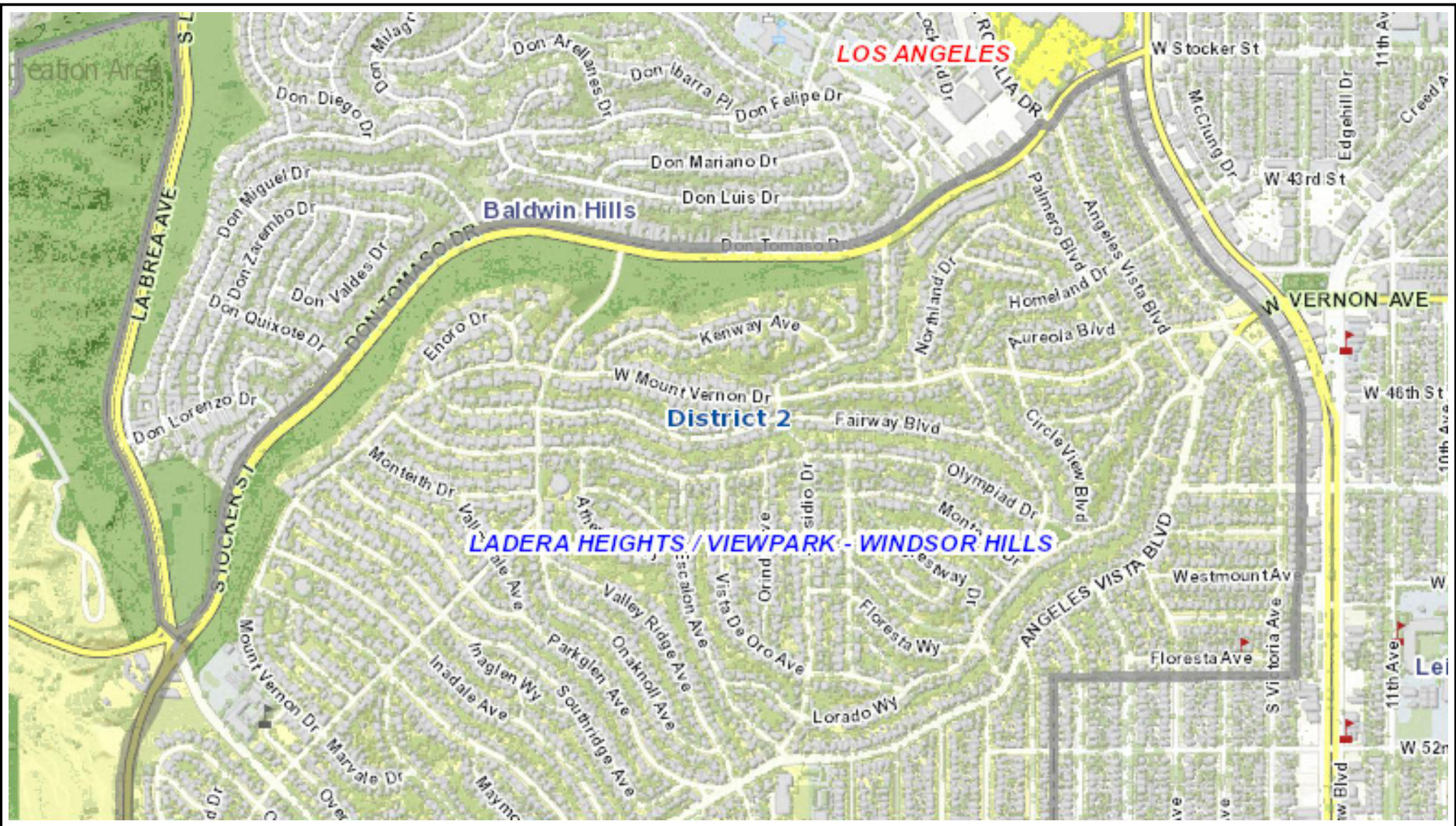
the provisions of Article XIII. All conflicts between the two articles shall be resolved in favor of Article XIII.

ARTICLE XV
AMENDMENTS

Section 15.01 Amendment by Members Only. These Bylaws may only be amended or repealed by a two-thirds (2/3) vote of the Voting Members present at any UHA Member meeting, provided that the proposed amendment or restated bylaws were presented in writing and debated at a UHA Member meeting held at least thirty (30) days prior to the date of such vote.

EXHIBIT A

MAP OF UHA AREA

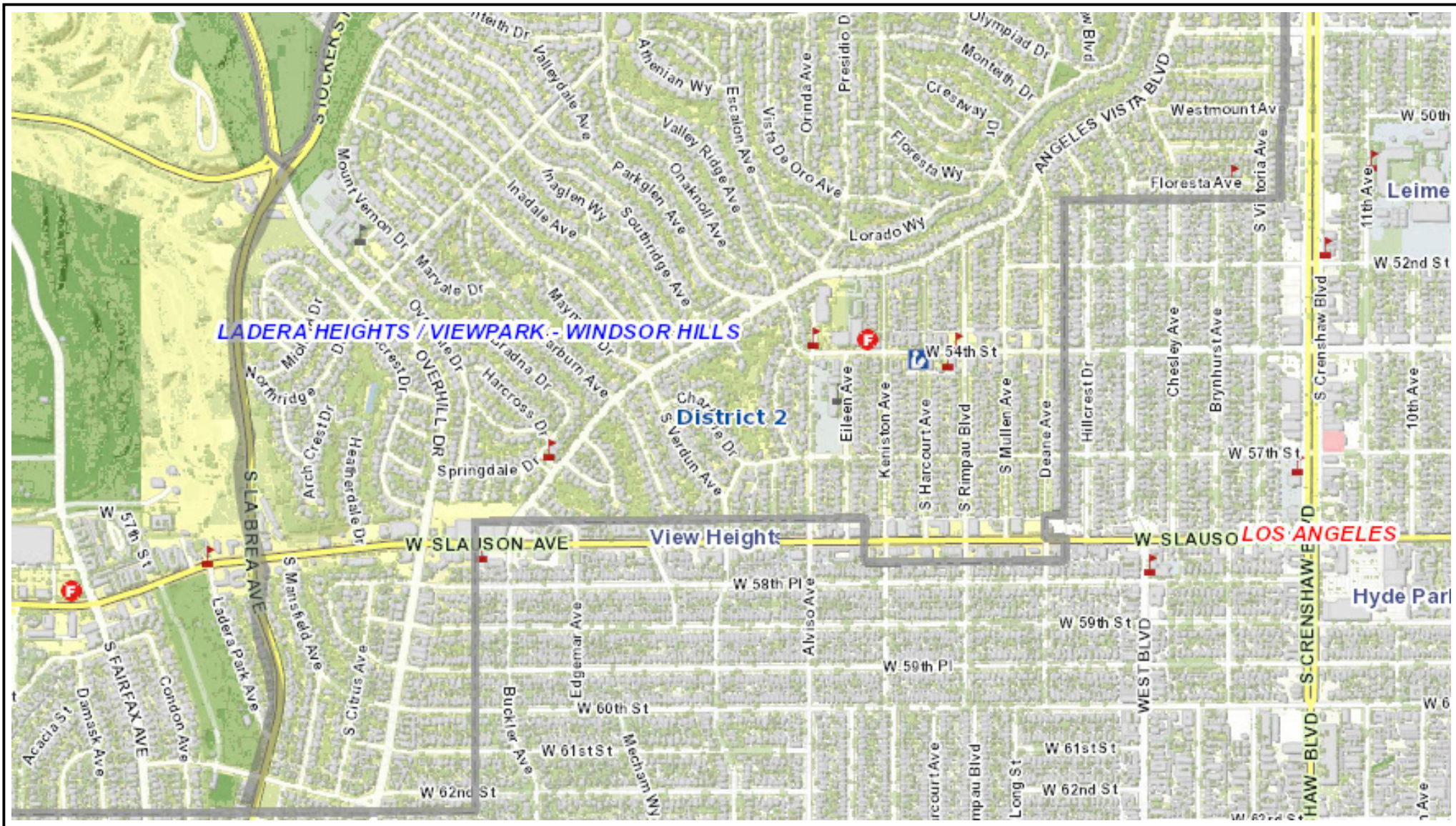


Windsor Hills View Park Northern UHA Area

Printed: Jul 08, 2016

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Windsor Hills View Park Southern UHA Area

Printed: Jul 08, 2016

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EXHIBIT B

UHA PRINCIPLES

EXHIBIT "A"

UHA PRINCIPLES

1. All issues brought before UHA will be analyzed and addressed based on their potential impact on the social welfare, economic and environmental conditions affecting residents of the UHA Area.
2. Our ultimate objective is to create a united organization to advocate for thoughtful policy positions and best possible outcomes with respect to land use, public safety, environmental and economic policies and decisions that directly or indirectly affect residents of the UHA Area.
3. We will harness our collective financial and political resources to convince elected officials, public agencies, developers, businesses, property owners and other stakeholders to carefully consider UHA's positions and recommendations with respect to key issues and implement policies and actions consistent with UHA's stance.
4. All UHA meetings will be conducted with a spirit of collegiality and healthy debate is always encouraged! Reasonable time will be allotted for all positions and sides to be presented and debated before the entire body prior to the taking of any official position or vote by UHA.
5. UHA's Board of Directors shall be responsible for ensuring that UHA conducts all of its business in a transparent and open manner. All corporate documents and records shall be available for inspection and review upon reasonable notice, and financial and other business reports shall be made to UHA members on a regular basis.

EXHIBIT C

SIMPLIFIED ROBERT'S RULES OF ORDER

Roberts Rules of Order – Simplified

Guiding Principle:

Everyone has the right to participate in discussion if they wish, before anyone may speak a second time.

Everyone has the right to know what is going on at all times.

Only urgent matters may interrupt a speaker.

Only one thing (motion) can be discussed at a time.

A **motion** is the topic under discussion (e.g., “I move that we add a coffee break to this meeting”). After being recognized by the president of the board, any member can introduce a motion when no other motion is on the table. A motion requires a second to be considered. Each motion must be disposed of (passed, defeated, tabled, referred to committee, or postponed indefinitely).

How to do things:

You want to bring up a new idea before the group.

After recognition by the president of the board, present your motion. A second is required for the motion to go to the floor for discussion, or consideration.

You want to change some of the wording in a motion under discussion.

After recognition by the president of the board, move to amend by

- adding words,
- striking words or
- striking and inserting words.

You like the idea of a motion being discussed, but you need to reword it beyond simple word changes.

Move to substitute your motion for the original motion. If it is seconded, discussion will continue on both motions and eventually the body will vote on which motion they prefer.

You want more study and/or investigation given to the idea being discussed.

Move to refer to a committee. Try to be specific as to the charge to the committee.

You want more time personally to study the proposal being discussed.

Move to postpone to a definite time or date.

You are tired of the current discussion.

Move to limit debate to a set period of time or to a set number of speakers. Requires a 2/3^{rds} vote.

You have heard enough discussion.

Move to close the debate. Requires a 2/3^{rds} vote. Or move to previous question. This cuts off discussion and brings the assembly to a vote on the pending question only. Requires a 2/3^{rds} vote.

You want to postpone a motion until some later time.

Move to table the motion. The motion may be taken from the table after 1 item of business has been conducted. If the motion is not taken from the table by the end of the next meeting, it is dead. To kill a motion at the time it is tabled requires a 2/3^{rds} vote. A majority is required to table a motion without killing it.

You believe the discussion has drifted away from the agenda and want to bring it back.

Call for orders of the day.

You want to take a short break.

Move to recess for a set period of time.

You want to end the meeting.

Move to adjourn.

You are unsure that the president of the board has announced the results of a vote correctly.

Without being recognized, call for a "division of the house." At this point a roll call vote will be taken.

You are confused about a procedure being used and want clarification.

Without recognition, call for "Point of Information" or "Point of Parliamentary Inquiry." The president of the board will ask you to state your question and will attempt to clarify the situation.

You have changed your mind about something that was voted on earlier in the meeting for which you were on the winning side.

Move to reconsider. If the majority agrees, the motion comes back on the floor as though the vote had not occurred.

You want to change an action voted on at an earlier meeting.

Move to rescind. If previous written notice is given, a simple majority is required. If no notice is given, a 2/3^{rds} vote is required.

You may INTERRUPT a speaker for these reasons only:

to get information about business – **point of information**

to get information about rules – **parliamentary inquiry**

if you can't hear, safety reasons, comfort, etc. – **question of privilege**

if you see a breach of the rules – **point of order**

if you disagree with the president of the board's ruling – **appeal**

Quick Reference					
	Must Be Seconded	Open for Discussion	Can be Amended	Vote Count Required to Pass	May Be Reconsidered or Rescinded
Main Motion	√	√	√	Majority	√
Amend Motion	√	√		Majority	√
Kill a Motion	√			Majority	√
Limit Debate	√		√	2/3 ^{rds}	√
Close Discussion	√			2/3 ^{rds}	√
Recess	√		√	Majority	
Adjourn (End meeting)	√			Majority	
Refer to Committee	√	√	√	Majority	√
Postpone to a later time	√	√	√	Majority	√
Table	√			Majority	
Postpone Indefinitely	√	√	√	Majority	√

EXHIBIT D

UHA CONFLICT OF INTEREST POLICY

United Homeowners' Association II

Conflict of Interest Policy

Article I Purpose

The purpose of this conflict of interest policy is to protect the interests of United Homeowners' Association II. ("UHA" or the "Corporation") whenever UHA is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director or other person in a position of authority within the Corporation or that might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit organizations.

Article II Definitions

1. **Interested Person**

Any director, principal officer, or member of a committee with powers delegated by the Board of Directors, who has a direct or indirect financial interest, as defined below, is an interested person.

2. **Financial Interest**

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which UHA has a transaction or arrangement,
- b. A compensation arrangement with UHA or with any entity or individual with which UHA has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which UHA is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2 of this policy, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III Procedures

1. **Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

IRS CIRCULAR 230 NOTICE: To the extent that this material concerns tax matters, it is not intended to be used and cannot be used by a taxpayer for the purpose of avoiding penalties that may be imposed by law.

2. **Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. **Procedures for Addressing the Conflict of Interest**

- a. An interested person shall make an appropriate disclosure of all material facts, including the existence of any financial interest, at any time that any actual or potential conflict of interest arises. The interested person may make a presentation at a Board of Directors or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The President or Vice President of UHA or the chairperson of the committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether UHA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. **Violations of the Conflicts of Interest Policy**

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV
Records of Proceedings

The minutes of the Board of Directors and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

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Article V
Compensation

- a. A voting member of the Board of Directors who receives compensation, directly or indirectly, from UHA for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from UHA for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation from UHA, either directly or indirectly, individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI
Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of this conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands that UHA is a nonprofit mutual benefit organization and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII
Periodic Reviews

To ensure the Corporation operates in a manner consistent with its social benefit purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with other organizations and/or individuals conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further UHA's nonprofit social benefit purposes and do not result in private inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Directors of its responsibility for ensuring periodic reviews are conducted.

IRS CIRCULAR 230 NOTICE: To the extent that this material concerns tax matters, it is not intended to be used and cannot be used by a taxpayer for the purpose of avoiding penalties that may be imposed by law.