

**AMENDED AND RESTATED BYLAWS
OF
CAMEO COMMUNITY ASSOCIATION**

If this document contains any restriction based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code by submitting a “Restrictive Covenant Modification” form, together with a copy of the attached document with the unlawful provision redacted to the county recorder’s office. The “Restrictive Covenant Modification” form can be obtained from the county recorder’s office and may be available on its internet website. The form may also be available from the party that provided you with this document. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

AMENDED AND RESTATED BYLAWS OF CAMEO COMMUNITY ASSOCIATION

ARTICLE I NAME AND LOCATION

The name of the corporation is CAMEO COMMUNITY ASSOCIATION, hereinafter referred to as the "**Association**." The Association is a nonprofit mutual benefit corporation subject to the Nonprofit Mutual Benefit Corporation Law of the State of California. The principal office of the Association shall be located in the County of Orange, California, and meetings of Members and Directors shall be held within the Covered Property or as close thereto as possible unless unusual conditions exist whereupon meetings may be held at any such place within the State of California, County of Orange, all as may be designated by the Board of Directors.

ARTICLE II DEFINITIONS

Section 1. "**Articles**" means the Articles of Incorporation of Cameo Community Association, which are filed in the Office of the California Secretary of State, as such Articles may be amended from time to time.

Section 2. "**Assessments**" means any Regular, Special or Reimbursement Assessment made or assessed by the Association against an Owner and the Owner's Lot, as more specifically provided in the Declaration.

Section 3. "**Board of Directors**" or "**Board**" means the Association's Board of Directors.

Section 4. "**Common Area**" is defined as the property and property interests held by the Association, whether in fee or by easement, lease or license, for the benefit of the Association Members, and shall mean the entire Covered Property except all Lots, and any other property or property interests held by the Association for the common use and benefit of the Members.

Section 5. "**Common Expense**" means actual and estimated costs of and any use of funds or expense incurred by the Association and includes, without limitation:

- (a) All expenses or charges incurred by or on behalf of the Association for the management, maintenance, administration, insurance, operation, repairs, additions, alterations or reconstruction of the Common Area;
- (b) All expenses or charges reasonably incurred to procure insurance for the protection of the Association and its Board of Directors;

- (c) All expenses or charges incurred by or on behalf of the Association, in any way relating to unpaid Regular, Special, and Reimbursement Assessments;
- (d) Any amounts reasonably necessary for reserves for maintenance, repair and replacement of the Common Area that the Association is obligated to maintain or replace, and for nonpayment of any Assessments;
- (e) The use of such funds to defray the costs and expenses incurred by the Association in the performance of its functions or in the proper discharge of the responsibilities of the Board as provided in the Governing Documents, including payment of taxes, insurance, compensation to managers, accountants, reserve analysts, architects, attorneys and other consultants/experts; and
- (f) Costs of any other item(s) designated by or in accordance with other expenses incurred by the Association for any reason whatsoever in connection with the Covered Property, the Governing Documents or in furtherance of the purposes of the Association.
- (g) Funds to be used for the purpose of promoting the recreation, health, safety and welfare of the Members, and enhancing the value of the Covered Property, including, without limitation, the improvement and maintenance of the Covered Property, services, and facilities, devoted to this purpose and related to the use and enjoyment of the Covered Property.

Section 6. **"Covered Property"** shall mean and refer to all of the real property referred to and described in the Declaration.

Section 7. **"Declaration"** shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Covered Property recorded in the Office of the County Recorder of Orange County, California, as such Declaration may from time to time be supplemented, amended or modified by a subsequent Declaration, or amendment thereto, duly recorded in the Office of the County Recorder, and which require the Owners thereof to be Members of the Association.

Section 8. **"Governing Documents"** is a collective term that means and refers to these Bylaws, the Articles, the Declaration, Architectural Guidelines and Standards and the Association Rules and Regulations.

Section 9. **"Lot"** means any of the residential Lots within the Covered Property.

Section 10. **"Member"** means every person or entity who holds a membership in the Association.

Section 11. "Owner" means the record owner, whether one or more persons or entities, of fee simple title to any Lot, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation, as defined in the Declaration.

Section 12. The terms defined in the Declaration shall have the same meaning when used in these Bylaws unless the context clearly indicates a contrary intention.

ARTICLE III

MEETINGS OF MEMBERS AND MEMBERSHIP RIGHTS

Section 1. Association Membership. Every Lot Owner of record shall be an Association Member. Each Owner shall hold one (1) membership in the Association for each Lot owned, and the membership shall be appurtenant to such Lot. Ownership of a Lot shall be the sole qualification for membership in the Association. Each Owner shall remain a Member of the Association until his or her ownership in any Lots in the Covered Property ceases by the recording of an instrument with the County Recorder's office transferring title. Persons or entities who hold an interest in a Lot merely as security for performance of an obligation are not Members until such time as the security holder comes into title to the Lot through foreclosure or deed in lieu thereof.

Section 2. One Class of Membership. The Association shall have one class of membership, consisting of the Lot Owners.

Section 3. Voting Rights of Members. Each Member of the Association shall be entitled to one (1) vote for each Lot owned by said Member. When more than one person holds an interest in any Lot, all such persons shall be Members, although, in no event, shall more than one (1) vote be cast with respect to any one (1) Lot.

Section 4. Assessments. The Association shall have the power to establish, fix and levy Assessments against the Lot Owners and to enforce payment of such Assessments in accordance with the provisions of the Declaration and any other method permitted by applicable law.

Section 5. Transfer of Memberships. Membership in the Association shall not be transferred, encumbered, pledged or alienated in any way, except upon the sale or encumbrance of the Lot to which it is appurtenant and then only to the purchaser. In the case of a sale, membership passes automatically to the purchaser upon recording of a deed evidencing transfer of title to the Lot. In the case of an encumbrance of such Lot, a Mortgagee does not have membership rights until he or she becomes an Owner by foreclosure or deed in lieu thereof. Any attempt to make a prohibited transfer is void.

Section 6. Annual Meetings. Regular annual meetings of the Members shall be held at a date, time and place designated by the Board and set forth in the notice of meeting sent to the Members.

Section 7. Special Meetings. Special meetings of Members, for any lawful purpose or purposes whatsoever, may be called at any time by the President or by a majority of a quorum of the Board of Directors, or by the written request of five percent (5%) or more of the voting power of the Members. If a special meeting is called by Members other than the Board or President, 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 electronic or facsimile transmission to the person designated in the Association's Annual Policy Statement. If no person has been designated, then the request shall be delivered to the President, Vice President or the Secretary of the Association. If the request by the Members meets the legal requirements and lawful purpose for calling and holding such special meeting, the Association shall cause notice to be promptly given to the Members, in accordance with the time frames required by California law.

Section 8. Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting by mailing a copy of such notice, postage prepaid, at least fifteen (15) but not more than ninety (90) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting and, in the case of a special meeting, the purpose of the meeting. Attendance by a Member at a meeting shall also constitute a waiver of any objections such person may have with respect to the notice of that meeting, except when the Member attends the meeting for the sole purpose of objecting at the beginning of the meeting to the transaction of any business because of the inadequacy or illegality of the notice. The Association shall also provide such other notices required by California law with regard to nominations, and other voting procedures.

Section 9. Quorum. The presence in person or by secret ballot under Civil Code Section 5115 at the meeting of Members entitled to cast, or of proxies entitled to cast, at least twenty five percent (25%) of the total voting power of all Members of the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws. Except where a greater portion of the voting power is required by the Articles of Incorporation, the Declaration or these Bylaws, 25% of of the voting power present in person or by secret ballot, or by proxy, shall prevail at all meetings. If, however, such quorum shall not be present or represented at any meeting the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum of 20% shall be present or represented or, unless otherwise provided by law, may adjourn the meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was called. 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. The presence in person or by secret ballot under Civil Code Section 5115 of Members entitled to cast, or of proxies entitled to cast, twenty percent (20%) of the total voting power of all Members of the Association shall also constitute a quorum for an adjourned meeting. The Association shall follow all requirements imposed by law with regard to the quorum or reduced quorum.

Section 10. Proxies. Members may vote by a written proxy signed by the Member and filed with the Secretary of the Association. The proxy form and proxy holder must meet all legal requirements of California law. All proxies shall be revocable and shall automatically terminate upon conveyance by the Member of his/her/their Lot.

Section 11. Consent of Absentees. The transactions of any meeting of Members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person, by secret ballot or by proxy and if, either before or after the meeting, each of the Members entitled to vote, not present in person, by secret ballot or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 12. Voting at Membership Meetings. Voting at any membership meeting may be by voice or by ballot, provided that the voting in any election of directors, and on any matters identified in Civil Code Section 5100, shall be conducted by secret ballot.

ARTICLE IV

SELECTION AND TERM OF OFFICE OF DIRECTORS

Section 1. Number and Qualification of Directors. The affairs of the Association shall be managed by a Board of nine (9) Directors, who shall serve staggered terms as provided in Section 3 below, who shall also possess the following qualifications:

- (a) All Directors shall be Members of the Association. A person who is not a Member at the time of their nomination is disqualified from nomination. If record title to a Lot is held by a legal entity that is not a natural person, such as a corporation or a limited partnership, the governing authority of that legal entity may appoint a natural person to be a Member for purposes of this Section.
- (b) Joint owners of Lots may not serve on the Board at the same time. A person is disqualified from nomination if the person, if elected, would be serving on the Board at the same time as another person who holds a joint ownership interest in the same Lot, and the other person is already properly nominated for the current election or an incumbent director.

- (c) Additional qualifications may be set forth in the Association's Election Rules, as permitted by Civil Code Section 5105, or other applicable laws, as such may be amended from time to time by the Board.

Section 2. Term of Office. There shall be three (3) classes of Directors, each class having three (3) Directors. One class shall be elected at each Annual Meeting and the Directors so elected shall serve for three (3) years. No person may be elected or appointed to serve as a Director who has been a Director for two (2) consecutive three (3) year terms without a break of at least ten (10) months preceding his/her election or appointment for another term. There must be a period of at least ten (10) months between any Director's two (2) consecutive three (3) year terms on the Board, including any partial three (3) year term served. At each election of Directors, there shall be elected at least one Director who is a Member of the Association by virtue of record ownership in a residential Lot in Tract 3357, and at least one other Director who is a member of the Association by virtue of record ownership in a residential Lot in Tract 3519. The candidate who is a qualified record Owner from Tract 3357 and the candidate who is a qualified record Owner from Tract 3519 who receive the highest number of votes cast shall be elected to serve on the Board. The candidate who receives the third highest number of votes cast shall be elected to serve on the Board, regardless of where the qualified record Owner's Lot is located. Directors shall be elected at each annual meeting of Members to fill the vacancies of those Directors whose term then expires, but if any such annual meeting is not held, or the Directors are not elected thereat, the Directors may be elected at any special meeting of Members held for that purpose. Each Director, including a Director elected to fill a vacancy or elected at a special meeting of Members, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified. If a Director was elected by virtue of holding record title to a Lot in a specific Tract, then that Director's successor shall also be from that specific Tract.

Section 3. Authority of Members to Remove Directors and Vacancy. Any or all of the Directors may be removed from the Board, with or without cause, by the affirmative vote of a majority of the votes represented and voting at a duly held meeting at which a quorum of the Members of the Association is present in person, by secret ballot or proxy. (Corporations Code Sections 7222 and 5034) If the vacancy is created through removal of a Director by the Members, the vacancy shall be filled by the affirmative vote of the Members at a duly held meeting of the Members. In the event of death or resignation of a Director, removal by the Board, or where a vacancy is declared pursuant to these Bylaws, the vacancy shall be filled by a majority vote of the remaining Directors even if the number of remaining Directors is less than a quorum. If there is only one Director remaining on the Board, that Director may fill all of the remaining seats on the Board. A Director appointed to fill a vacancy on the Board shall hold office until the end of the Director's term which he or she is appointed to fill. The Members may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors or by an election at a duly held meeting of the Members. . If a Director was elected by virtue of holding record title to a Lot in a specific Tract, then that Director's successor shall also be from that specific Tract.

Section 4. Resignation of Directors. Any Director may resign, and such 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. If the resignation of a Director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.

Section 5. Authority of Board to Remove Directors. The Board of Directors shall have the power and authority to remove a Director and declare his or her office vacant if he or she (i) has been declared of unsound mind by a final order of a court; (ii) has been convicted of a felony within the last twenty four months or while serving on the Board; (iii) has been found by a final order or judgment of any court to have breached any duty under Corporations Code Sections 7233 and 7236 (relating to the standards of conduct of Directors); (iv) fails to attend three (3) consecutive regular meetings of the Board of Directors that have been duly noticed in accordance with California law; or (v) the Director has become delinquent in the payment of any Assessment for a period in excess of ninety (90) days. However, a Director who is delinquent in the payment of any Assessment as set forth above, may not be removed if he or she has paid the Assessment under protest, or if he or she has entered into a payment plan and remains in compliance with such payment plan. The Association may adopt additional qualifications for Directors as permitted by applicable law in the Election Rules.

Section 6. Authority of Board to Declare Vacancy. The Board, by a majority vote of the Directors who meet all of the required qualifications to be a Director, may declare vacant the office of any Director who fails or ceases to meet any required qualification that was in effect at the beginning of that Director's current term of office.

Section 7. Compensation. No Director, officer, or member of a committee shall receive compensation for any services he/she may render to the Association. However, he/she may be reimbursed for his/her actual expenses incurred in the performance of his/her duties. Expenses for which reimbursement is sought shall be supported by appropriate documentation, including receipts, invoices, or payment statements.

ARTICLE V **NOMINATION AND ELECTION OF DIRECTORS**

Section 1. Nomination. Any Member may nominate himself/herself prior to the time ballots are sent out by the Association, by sending in a written statement to the Association of his/her intent to be a candidate at the meeting of the Members. Nominations may also be made from the floor at the meeting of the Members, pursuant to the requirements of the Election Rules, unless the Association is electing Directors by the acclamation process set forth below. To be eligible for nomination and election to the Board, a candidate must be certified by the Association Secretary that he/she is qualified to be a candidate, pursuant to the Election Rules of the Association and Civil Code Section 5105 or other applicable statutes.

Section 2. Election and Cumulative Voting Disallowed. Election to the Board of 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. Cumulative voting is not allowed.

Section 3. Election of Directors by Acclamation. Pursuant to Civil Code Section 5100, et seq., including specifically Section 5103, the Association may follow all required procedures and the Board may elect Directors by acclamation if the number of qualified candidates is not more than the number of vacancies to be elected, as determined by the inspector(s) of elections. The Association will adopt Election Rules regarding the acclamation process and timeline for notification to the Membership. The provisions of these Bylaws regarding nominations by write-in candidates, nominations from the floor of the annual meeting and other provisions may be changed or modified if the Board determines to utilize the acclamation process.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly, at such place and hour within the Covered Property, or at another place in reasonable proximity to the Covered Property, as may be fixed from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or if he/she are unable or refuse to act, by the Vice President, or Secretary or by any two (2) Directors, other than the President.

- (a) Notice of Special Meetings. Special meetings of the Board shall be held upon four (4) days' notice by first class mail or forty-eight (48) hour notice delivered personally or by telephone, including a voice message system or other system or technology designed to record and communicate messages, facsimile, electronic mail or other electronic means. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Association.

Section 3. Meetings, Defined. A "meeting" shall be defined as a congregation, at the same time and place, of a sufficient number of Directors to establish a quorum of the Board, to hear, discuss, or deliberate upon any item of business that is within the authority of the Board, or a teleconference or videoconference, where a sufficient number

of Directors to constitute a quorum of the Board, in different locations, are connected by electronic means, through audio or video or both.

- (a) A teleconference or videoconference meeting shall be conducted in a manner that protects the rights of Members of the Association. Except for a meeting that will be held solely in executive session, and unless California law allows otherwise, the notice of the teleconference or videoconference meeting shall follow all requirements imposed by California law regarding conducting a meeting entirely by teleconference without at least one physical location. Participation by Directors in a teleconference or videoconference meeting constitutes presence at that meeting as long as all Directors participating in the meeting are able to communicate with one another as well as Members of the Association speaking on matters before the Board.
- (b) A teleconference or virtual meeting may be held entirely by teleconference during a state of emergency without a physical location as set forth in Civil Code Section 5450, including the count and tabulation of ballots, and may be held entirely by teleconference without a physical location as long as the requirements of Civil Code Section 4926 and other requirements imposed by California law are met.

Section 4. Quorum. A majority of the number of Directors as fixed by the Articles of Incorporation or these Bylaws 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 duly held meeting at which a quorum is present shall be regarded as the act of the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors below a quorum, if any action taken is approved by at least a majority of the required quorum for that meeting, or such greater number as is required by these Bylaws or by California law.

Section 5. Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If a Board meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another 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 adjournment; provided, however, such notice need not be given to such absent Directors in the event of an adjournment of less than twenty-four (24) hours.

Section 6. Attendance and Executive Sessions. Regular and special meetings of the Board of Directors shall be open to all Members of the Association; with the exception of executive sessions of the Board, provided, however, that Members who are not on the Board of Directors may not participate in any deliberations or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board of Directors. The Board of Directors may adjourn to, or meet solely in, executive session to consider

litigation in which the Association is or may become a party, Member discipline, personnel matters, matters relating to the formation of contracts with third parties, to decide whether to foreclose on a lien pursuant to Civil Code Section 5705, to meet with a Member, on the Member's request, regarding the Member's payment of assessments pursuant to Civil Code Section 5665, or the like, including discussions with or matters involving legal counsel or legal issues. Only members of the Board of Directors and authorized management representatives shall be entitled to attend executive sessions.

Section 7. Notice of Board Meetings. Except for emergency meetings, and meetings held solely in executive session, notice of the time and place of each Board meeting shall be given by General Notice pursuant to Civil Code Section 4920 at least four (4) days before the meeting. Notice of meetings to be held solely in executive session shall be given at least two (2) days before the meeting. All meeting notices shall include the agenda for the meeting. An emergency meeting of the Board may be called by the President or by any two (2) directors of the Board other than the President, if there are circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the Board, and which of necessity make it impracticable to provide notice as otherwise required by this Article.

Section 8. Action Taken Without A Meeting. The Board of Directors shall not conduct a meeting via a series of electronic transmissions, including, but not limited to, electronic mail, except that electronic transmissions may be used as a method of conducting an emergency meeting if all members of the Board, individually or collectively, consent in writing to that action, and if the written consent or consents are filed with the minutes of the meeting of the Board. These written consents may be transmitted electronically. Such action by written consent shall have the same force and effect as a unanimous vote of such Directors.

Section 9. Waiver of Notice. Any action taken at 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 (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present, individually or collectively, 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 Association records or made a part of the minutes of the meeting and shall have the same force and effect as a unanimous vote of the Board. The requirement of notice of a meeting shall also be deemed to have been waived by any Director who attends the meeting without protesting the lack of proper notice either before or at the start of the meeting.

ARTICLE VII

POWERS OF THE BOARD OF DIRECTORS

Section 1. Powers. In addition to the powers and duties of the Board as set forth in the Declaration, the Articles, or elsewhere in these Bylaws, and subject to limitations of the Articles, the Declaration, or these Bylaws, the Davis-Stirling Common Interest Development Act, ("**Act**") and of the California Corporations Code as to action to be authorized or approved by the Members, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be controlled by the Board. Without prejudice to such general powers but subject to the same limitations, the Board is vested with and shall have the following powers; to wit:

- (a) To select, appoint and remove all officers, agents and employees of the Association, to prescribe such powers and duties for them as may be consistent with law, with the Articles, the Declaration and/or these Bylaws, to fix the compensation of agents and employees and to require from them security for faithful service when deemed advisable by the Board.
- (b) To conduct, manage and control the affairs and business of the Association, and to enforce such rules and regulations therefore consistent with law, with the Articles, the Declaration and/or these Bylaws, as the Board may deem necessary or advisable.
- (c) To change the principal office for the transaction of the business of the Association from one location to another within the County of Orange; to designate any place within said County for the holding of any annual or special meeting or meetings of Members; to adopt and use a corporate seal.
- (d) To appoint an Architectural Committee to consider and approve or disapprove plans for improvements or alterations to improvements on the Lots in the Tracts subject hereto, and to fix the duties, fees and charges of said Committee, and to appoint such other Committees as the Board may choose.
- (e) To borrow money and incur indebtedness for the purposes of the Association, and to cause to be executed and delivered therefore, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefore.
- (f) To fix and levy from time to time dues and Assessments upon the Members of the Association; to determine and fix the due date for the payment of such dues and Assessments and the date upon which the same shall become delinquent; to suspend, upon such terms and to such extent as the Board shall in its absolute discretion determine, membership privileges and the rights of any Members and to declare such Member to not be in good standing as provided

in these Bylaws and California law if such dues and Assessments shall not be paid before delinquency, or if such Member shall not comply with these Bylaws or the published Architectural Guidelines and Rules or other published rules and regulations of the Association.

- (g) To contract for and pay fire, casualty, liability, directors and officers errors and omissions and other insurance and bonds (including fidelity coverage, employee dishonesty and/or commercial crime insurance) that may be required or advisable from time to time by the Association.
- (h) To contract for and pay maintenance, landscaping, utilities, materials and supplies, labor and services relating to the Common Area and to employ personnel necessary for the operation of the Association, including legal and accounting services.
- (i) To contract for and pay for improvements of Covered Property.
- (j) To delegate its duties and powers to the officers of the Association or to a committee established by the Board.
- (k) To enforce the provisions of the Declaration, these Bylaws, the Articles, other Governing Documents, or other agreements of the Association.
- (l) To grant easements where necessary for utilities and sewer facilities over the Common Area to serve the Common Area and the Lots.
- (m) Pay all taxes, special assessments and other assessments, and charges that are or would become a lien on any portion of the Common Area.
- (n) Perform all acts required of the Board under the Declaration and applicable laws.
- (o) Prepare budgets and maintain a full set of books and records showing the financial condition of the affairs of the Association in a manner consistent with generally accepted accounting principles.
- (p) Open bank accounts on behalf of the Association and designate the signatories to such bank accounts.
- (q) Adopt and establish Rules, subject to the provisions of the Declaration, governing the use of the Covered Property and the Lots, and the personal conduct of the Members and their guests on the

Covered Property, and take such steps as it deems necessary for the enforcement of such Rules, including the imposition of monetary penalties and the right to use any Common Area recreational facilities and any other privileges of any Owner; provided notice and a hearing are provided as more particularly set forth in Civil Code Section 5855 and the Declaration.

- (r) Have the authority to enter into contracts and to assess and utilize Assessments to be used for the purpose of promoting the recreation, health, safety and welfare of the Members, and enhancing the value of the Covered Property, including, without limitation, the improvement and maintenance of the Covered Property, services, and facilities, devoted to this purpose and related to the use and enjoyment of the Covered Property.
- (s) Have the authority as provided in California law to appoint directors by acclamation, if all requirements therefor are fulfilled.

ARTICLE VIII **OFFICERS AND THEIR DUTIES**

Section 1. Enumeration of Officers. The Officers of this Association shall be a President, a Vice President, a Secretary and a Treasurer, who shall at all times be members of the Board of Directors, and such other Officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The Officers of the Association shall be chosen annually by majority vote of the Board at its organizational meeting following the annual meeting of the Members for the election of Directors, and each shall hold his/her office until he/she shall resign or shall be removed or otherwise disqualified to serve, or his/her successor shall be elected and qualified.

Section 3. Term. The Officers of this Association shall be chosen annually by the Board, and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may appoint, and may empower the President to 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 are provided in the Bylaws and as the Board may from time to time determine.

Section 5. Resignation and Removal. Any Officer may be removed from office with or without cause by a vote of a majority of all of the Directors then in office, at any regular or special meeting at which a quorum is present. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on 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.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he/she replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. President. The President shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervisions, direction and control of the business and officers of the Association. The President shall serve as Chairman of the Board and preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments, and shall co-sign all checks and promissory notes. The President shall be an ex-officio member of all standing committees, if any, and shall have the general powers and duties of management usually vested in the office of the President of a corporation, and shall have other powers and duties as may be prescribed by the Board or these Bylaws.

Section 9. 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 office of President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for him/her by the Board or the Bylaws.

Section 10. Secretary. The Secretary shall keep, or cause to be kept, a book of Minutes at the principal office or such other place as the Board may order, of all meetings of Directors and Members, with the time and place of the holding of same, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present or represented at Members' meetings and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal office of the Association, appropriate current records showing the Members of the Association, together with their addresses, and he or she shall give, or cause to be given, notice of all meetings of the Board required by the Bylaws or by law. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board or by the Bylaws.

The Secretary shall give, or cause to be given, notice of all meetings of the Members and of the Board required by the Bylaws or by law to be given.

Section 11. Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained (with the assistance of the Association's managing agent, as

necessary), adequate and correct accounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Association as may be ordered by the Board, shall render to the President and Directors, whenever they request it, an account of all transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

Section 12. Compensation. No Officer of the Association shall receive compensation for his/her services performed in the conduct of the business of the Association; provided, however, any Officer may be reimbursed for his/her actual expenses incurred on the performance of his/her duties as approved by the Board.

ARTICLE IX **COMMITTEES**

The Board of Directors of the Association may, by resolution adopted by a majority of the Directors then in office, designate one (1) or more committees, each consisting of one(1) or more Members (who may also be Directors), to serve at the pleasure of the Board. The Architectural Committee must be established and operate per the Declaration. The chair of each committee shall be selected by the Board of Directors, and may be a Board Member. The committees shall act in an advisory capacity and the final decision in any matter shall be the Board's decision. The members of any committees shall serve at the pleasure of the Board and may be removed by the Board at any time without cause. Each committee shall keep appropriate documentation, and shall provide reports to the Board upon request. The formation and operations of committees shall be in accordance with any policies adopted by the Board of Directors from time to time.

The Board may, by resolution adopted by a majority of the number of Directors then in office, provided that a quorum is present, create one (1) or more committees, each containing at least two (2) or more Directors, to serve at the pleasure of the Board and to take actions instead of the Board of Directors as Executive Committees/Committees of the Board. Any such Executive Committee, to the extent provided in the resolution of the Board, shall have the full authority of the Board with respect to matters as may be authorized by the Board in such resolution. Only Directors may serve on such Executive Committees, and non-Board Members may not be appointed to Executive Committees.

ARTICLE X
BOOKS AND RECORDS

Section 1. Member Inspection Rights.

- (a) Scope of Member's Inspection Rights. All accounting books and records, minutes of proceedings of the Members, the Board and committees of the Board, the membership list of the Association, and Association election materials, shall at all times, during reasonable business hours, be subject to the inspection of any Member in accordance with the requirements and restrictions set forth in Civil Code Sections 5200-5230. Any inspection by a Member that is permitted by this subsection (a) may be conducted by the Member personally or by his or her duly appointed representative. If a Member designates another person to inspect and/or copy Association records that are open to Member inspection, that designation must be in writing.

- (b) Member Inspection Procedures and Limitations. The following additional rules and restrictions shall apply to Member inspection demands:
 - (i) The Association records as described in subsection (a), above, and any information contained in those records, may not be used or sold for a commercial purpose or used for any other purpose that is not reasonably related to a Member's interest as a Member.

 - (ii) The Member who desires to inspect the membership list must submit a written request for inspection to the Association and that request must state a reason for the requested inspection that is reasonably related to the Member's interest in the Association.

 - (iii) If the Association reasonably believes that the membership list will be used for a purpose other than the purpose stated by the requesting Member(s), the requesting Member(s) may be denied access to the list.

 - (iv) If the Association agrees to make copies of requested information that is within the Members' rights of inspection, the Association is entitled to bill the requesting Member(s) for the actual costs incurred by the Association for copying and mailing the requested documents. The Association must inform the Member(s) of the amount of the copying and mailing costs before sending the requested documents.

Requesting parties have the option of receiving specifically identified records by electronic transmission or machine-readable storage media as long as those records can be transmitted in a redacted format that does not allow the records to be altered.

Section 2. Director Inspection Rights. Every Director shall have an absolute right at any reasonable time to inspect all books, records, documents, and minutes of the Association and the physical properties owned by the Association. The right of inspection by a Director includes the right to make extracts and copies of documents. All Directors should consider their fiduciary obligations to act in good faith and in a manner they believe to be in the best interests of the Association in the use or disseminate information obtained through exercise of their inspection rights. Directors may not disseminate or reveal any information or documents that they receive as Directors. Directors may not have any access to documents or information which relates, directly or indirectly, to themselves, their families, guests, invitees, or other persons not on the Board of Directors. If a Director has a conflict of interest, that Director shall not be entitled to receive any records which may relate to that conflict or should be protected based on the Director's conflict of interest.

ARTICLE XI **ASSESSMENTS**

As more fully provided in the Declaration, each Owner of a Lot is obligated to pay to the Association Assessments, which are secured by a continuing lien upon the property against which the Assessment is made. Any Assessments which are not paid when due shall be delinquent. If the Assessment is not paid within fifteen (15) days after the due date, the Assessment shall bear interest at the maximum annual percentage rate permitted by law, and the Association may bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such Assessment. No Owner may waive or otherwise escape liability for the Assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

ARTICLE XII **CORPORATE SEAL**

The Association may have a seal in circular form having within its circumference the words: CAMEO COMMUNITY ASSOCIATION, a California non-profit mutual benefit corporation.

ARTICLE XIII **AMENDMENTS**

Section 1. These Bylaws may be amended or repealed, and new Bylaws adopted, only by the affirmative vote or assent by secret ballot of a majority of the voting power of the Members. If any provision of these Bylaws requires the vote of a larger proportion or all of the Members, such provisions may not be altered, amended or repealed except by such greater vote, unless otherwise specifically provided in these Bylaws. Any amendment to these Bylaws shall become effective immediately upon approval by the Members. The Secretary of the Association shall certify adoption of any duly approved amendment to the Bylaws and a copy of the certificate and the amendment shall be included in the Master Association's corporate records.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV **MISCELLANEOUS**

Section 1. Fiscal Year. The fiscal year of the Association shall be determined and set by the Board of Directors in its discretion.

Section 2. Annual Budget Report. Pursuant to Civil Code Section 5300, the Association shall distribute an Annual Budget Report thirty (30) to ninety (90) days before the end of its fiscal year. Moreover, within one-hundred and twenty (120) days after the close of the fiscal year, a copy of the Association's year-end report, consisting of at least the following, shall be distributed to the Members:

- (a) A balance sheet as of the end of the fiscal year;
- (b) An operating (income) statement for the fiscal year;
- (c) A statement of changes in financial position for the fiscal year;
- (d) A statement advising Members of the place where the names and addresses of the current Members are located; and
- (e) Any information required to be reported under Corporations Code Section 8322 requiring the disclosure of certain transactions in excess of \$50,000 per year between the Association and any Director or officer of the Association and indemnifications and advances to officers or Directors in excess of \$10,000 per year.

A review of the financial statement of the Association shall be prepared in accordance with generally accepted accounting principles by a licensee of the State Board of Accountancy for any fiscal year in which the gross income of the Association exceeds \$75,000. If the annual report is not prepared by such a licensee, it shall be accompanied by the certificate of an authorized officer of the Association that the statement was prepared without an audit from the books and records of the Association.

Section 3. Annual Policy Statement. Within thirty (30) to ninety (90) days before the end of the Association's fiscal year, the Board shall distribute an Annual Policy Statement that provides the Members with information about Association policies. The Annual Policy Statement shall be made available to the Members pursuant to Civil Code Section 5320.

- (a) The Annual Policy Statement shall include all of the following information:
 - (i) The name and address of the person designated to receive official communications to the Association, pursuant to Civil Code Section 4035.
 - (ii) A statement explaining that a Member may submit a request to have notices sent to up to two different specified addresses, pursuant to Civil Code Section 4040.
 - (iii) The location, if any, designated for posting of a General Notice, pursuant to subdivision (a) of Civil Code Section 4045.
 - (iv) Notice of a Member's option to receive General Notices by Individual Delivery, pursuant to Civil Code Section 4040 and subdivision (b) of Civil Code Section 4045.
 - (v) Notice of a Member's right to receive copies of meeting minutes, pursuant to subdivision (b) of Civil Code Section 4950.
 - (vi) The statement of assessment collection policies required by Civil Code Section 5730.
 - (vii) A statement describing the Association's policies and practices in enforcing lien rights or other legal remedies for default in the payment of assessments.
 - (viii) A statement describing the Association's discipline policy, if any, including any schedule of penalties for violations of the Governing Documents pursuant to Civil Code Section 5850.

- (ix) A summary of dispute resolution procedures, pursuant to Civil Code Sections 5920 and 5965.
- (x) A summary of any requirements for Association approval of a physical change to property, pursuant to Civil Code Section 4765.
- (xi) The mailing address for overnight payment of assessments, pursuant to Civil Code Section 5655.
- (xii) The Association maintains an internet website for the purposes of distributing information on Association business to its Members, and may provide general notice/general delivery by posting the notice on the Association's website in a prominent location that is accessible to all members as designated in the Annual Policy Statement.
- (xiii) Any other information that is required by law or the Governing Documents or that the Board determines to be appropriate for inclusion.

Section 4. Record Date. The Board of Directors may fix a time, in the future, not exceeding forty-five (45) days preceding the date of any annual or special meeting of Members, as a record date for the determination of the Members entitled to notice of and to vote at any such meeting, and in such case only Members of record on the date so fixed shall be entitled to notice of and to vote at such meeting, notwithstanding any transfer of any membership on the books of the Association after any record date so fixed. For the purposes of determining such record date, the Board of Directors may close the books of the Association against transfer of membership during the whole, or any part of such period.

Section 5. Checks. All checks or demands for money and notes of the Association shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Directors may from time to time designate. Notwithstanding the foregoing, the signatures of at least two (2) directors, or of one (1) director and one (1) officer, shall be required for the withdrawal and/or transfer of moneys from the Association's reserve accounts.

Section 6. Community Manager. The Board may, from time to time, employ the services of a community manager to manage the affairs of the Association and, to the extent not inconsistent with the laws of the State of California, and upon such conditions as are otherwise deemed advisable by the Board, the Board may delegate to the community manager any of its day to day management and maintenance duties and powers under these Bylaws and the Declaration, provided that the community manager shall at all times remain subject to the general control of the Board.

Section 7. Fidelity Bonds/ Employee Dishonesty/Commercial Crime Insurance.

The Association shall maintain fidelity bond or equivalent insurance coverage for its directors, officers, and employees in an amount that is equal to or more than the combined amount of the reserves of the Association and total regular assessments for three (3) months. The Association's fidelity bond or insurance shall also include computer fraud and funds transfer fraud. If the Association uses a managing agent or management company, the Association's fidelity bond or insurance coverage shall additionally include dishonest acts by that person or entity and its employees.