

RESTATED BYLAWS OF
EDGEWATER ISLE NORTH HOMEOWNERS ASSOCIATION

RESTATED BYLAWS OF
EDGEWATER ISLE NORTH HOMEOWNERS ASSOCIATION

ARTICLE I	NAME AND LOCATION	1
ARTICLE II	DEFINITIONS	1
ARTICLE III	MEETINGS OF MEMBERS AND VOTING	1
	3.1 Annual Meeting	1
	3.2 Special Meetings	1
	3.3 Notice and Place of Meetings	1
	3.4 Quorum	2
	3.5 Proxies	2
	3.6 Membership and Voting	2
	3.7 Action Without Meeting	2
	3.8 Conduct of Meetings	3
ARTICLE IV	DIRECTORS	3
	4.1 Number and Qualification	3
	4.2 Nomination	3
	4.3 Election	3
	4.4 Term	3
	4.5 Removal; Vacancies	3
	4.6 Compensation	4
	4.7 Indemnification	4
ARTICLE V	MEETINGS OF DIRECTORS	4
	5.1 Regular Meetings	4
	5.2 Special Meetings	4
	5.3 Notice	4
	5.4 Quorum	5
	5.5 Open Meetings	5
	5.6 Executive Session	5
	5.7 Telephone Attendance	5
	5.8 Action Without Meeting	5

ARTICLE VI	POWERS AND DUTIES OF THE BOARD OF DIRECTORS	5
	6.1 Duties	5
	6.1.1 Oversight and Review	5
	6.1.2 Maintenance	6
	6.1.3 Insurance	5
	6.1.4 Discharge of Liens	6
	6.1.5 Assessments	6
	6.1.6 Expenses and Obligations	6
	6.1.7 Records	6
	6.2 Financial Requirements	6
	6.2.1 Review of Financial Records	6
	6.2.2 Reserve Account Withdrawal Restrictions	6
	6.2.3 Reserve Account Fund Management	6
	6.2.4 Reserve Studies	7
	6.2.5 Budgets and Financial Statements	7
	6.3 Powers	9
	6.3.1 Manager	9
	6.3.2 Adoption of Rules	9
	6.3.3 Enforcement (Notice and Hearing)	9
	6.3.4 Contracts	9
	6.3.5 Delegation	9
	6.3.6 Appointment of Trustee	10
	6.4. Prohibited Acts	10
ARTICLE VII	OFFICERS AND THEIR DUTIES	10
	7.1 Enumeration of Officers	10
	7.2 Election of Officers	11
	7.3 Term	11
	7.4 Special Appointments	11
	7.5 Resignation and Removal	11
	7.6 Vacancies	11
	7.7 Duties	11
	7.7.1 President	11
	7.7.2 Vice President	11
	7.7.3 Secretary	11
	7.7.4 Treasurer	11
ARTICLE VIII	COMMITTEES	12
ARTICLE IX	BOOKS AND RECORDS	12
	9.1 Inspection by Members	12
	9.2 Rules for Inspection	12

	9.3	Inspection by Directors	12
	9.4	Documents Provided by Board	12
	9.5	Minutes	13
ARTICLE X		MISCELLANEOUS	13
	10.1	Amendment of These Bylaws	13
	10.2	Conflicts	13
	10.3	Fiscal Year	13

RESTATED BYLAWS
OF
EDGEWATER ISLE NORTH HOMEOWNERS ASSOCIATION

ARTICLE I
NAME AND LOCATION

The name of the corporation is EDGEWATER ISLE NORTH HOMEOWNERS ASSOCIATION hereinafter referred to as the "Association". The Association is located at Edgewater Isle Boulevard and Vista Del Mar, in the City of San Mateo, San Mateo County, California, 94404-2415

ARTICLE II
DEFINITIONS

2.1 The definitions contained in the Declaration are incorporated by reference herein.

2.2 "Declaration" shall mean and refer to the restated Declaration of covenants, conditions and restrictions applicable to the Property recorded on _____, 2004, at Document No. _____ in the Office of the Recorder of San Mateo County, State of California.

ARTICLE III
MEETINGS OF MEMBERS AND VOTING

3.1 **Annual Meeting:** The annual meeting of the Members shall be held in the month of April at a date, time and place to be set by the Board.

3.2 **Special Meetings:** Special meetings of the Members shall be promptly scheduled at any time by the Board in response to the vote of the Board, or a request by the President, or upon written request of five percent of the Total Voting Power of the Association.

3.3 **Notice and Place of Meetings:** Written notice of each meeting of the Members, annual or special, shall be given by, or at the direction of, the secretary or Manager, by personal delivery or mailing a copy of such notice, first class mail, postage prepaid, at least ten (10) days but not more than ninety (90) days before such meeting to each First Lender requesting notice and to all Members, 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. Notice shall also be posted in the Common Area. 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. If action is proposed to be taken at any meeting for approval of any proposals, the notice shall also state the general nature

of the proposal. Member action on the following items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s): (a) removing or electing a director; (b) amending the Governing Documents; (c) approving a contract or transaction in which a director has a material financial interest; (d) increasing the annual assessment by over twenty percent (20%), or imposing a special assessment in excess of five percent (5%) of the budgeted gross expenses of the Association. Meetings shall be held within the Property or at a meeting place within the same county, as close to the Property as possible.

3.4 **Quorum:** The presence either in person or by proxy, at any meeting, of one-third of the Total Voting Power of the Association shall constitute a quorum for any action except as otherwise provided in the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members present in person or by proxy shall have power to adjourn the meeting to a date not less than five (5) days and not more than thirty (30) days later. Notice of the time and place of the adjourned meeting shall be given to Members in the manner prescribed for regular meetings. The quorum for any such adjourned meeting shall not be less than twenty-six percent (26%) of the Total Voting Power of the Association. Notwithstanding anything herein to the contrary, for purposes of obtaining membership approval of special assessments or increases in annual assessments as may be required by the Declaration, a "quorum" means more than fifty percent (50%) of the Total Voting Power of the Association.

3.5 **Proxies:** At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Condominium, or upon receipt of written notice by the secretary or the Manager of the death or judicially declared incompetence of a Member, or upon the expiration of eleven (11) months from the date of the proxy. Any form of proxy distributed by any Person to the Members shall afford the opportunity to specify a choice between approval and disapproval of each matter to be acted upon. The proxy shall provide that, where the Member specifies a choice, the vote shall be cast in accordance with that choice. The proxy also shall identify the Person or Persons authorized to exercise the proxy and the length of time it will be valid. In addition, voting by proxy shall comply with any other applicable requirements of California Corporations Code Section 7514 and 7613.

3.6 **Membership and Voting:** Membership shall be held as provided in the Declaration. The Members shall be entitled to one vote for each Condominium.

3.7 **Action Without Meeting:** Any action that may be taken at any annual or special meeting of Members (except for the election or removal of directors) may be taken without a meeting in accordance with the provisions of California Corporations Code Sections 7513 and 7516. Any form of written ballot distributed by any Person to the Members shall afford the opportunity to specify a choice between approval and disapproval of each matter to be acted upon. An Owner may change his or her ballot by a subsequent written ballot up to the record date for the vote.

3.8 **Conduct of Meetings:** Meetings of the Members shall be conducted in accordance with a recognized system of parliamentary procedure adopted by the Board. Notice of meetings of the Members shall specify those matters the Board intends to present for action by the Members, but, except as otherwise provided by law, any proper matter may be presented at the meeting for action.

ARTICLE IV DIRECTORS

4.1 **Number and Qualification:** The affairs of this Association shall be managed by a Board of five (5) directors, all of who must be Members in good standing. For the purposes of this section, good standing means current in the payment of Assessments and in compliance with the Governing Documents. When a Condominium is owned by more than one Person, only one Owner of that Condominium may serve on the Board.

4.2 **Nomination:** Nomination for election to the Board may be made by a nominating committee appointed by the Board. Nominations may also be made from the floor at the annual meeting. The nominating committee shall consist of a chairman, who shall be a director, and two (2) or more Members. The nominating committee may be appointed not less than ninety (90) days prior to each annual meeting of the Members, to serve until the close of such annual meeting. The nominating committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. All candidates shall have reasonable opportunity to communicate their qualifications to Members and to solicit votes. Notice to the Members of the annual meeting shall include the names of all those who are nominees at the time the notice is sent.

4.3 **Election:** The election of the Board shall be conducted at the annual meeting of the Members. In even numbered years, three (3) directors shall be elected; in odd numbered years, two (2) directors shall be elected. At such election the Members or their proxies may cast one vote for each vacancy. The persons receiving the largest number of votes shall be elected. There shall be no cumulative voting. Voting for directors or for their removal shall be by secret written ballot.

4.4 **Term:** The term of each director shall be two years. Unless vacated sooner, each director shall hold office until the director's term expires and a successor is elected.

4.5 **Removal; Vacancies:** Any Director may resign by giving notice to the Board. Any director may be removed by the vote of a majority of a quorum of the Members. If a director dies or resigns, the vacancy shall be filled by the Board at a duly held meeting, or by the sole remaining director. Notwithstanding anything to the contrary contained in this paragraph, any director who fails to attend three (3) consecutive Board meetings or becomes 90 days delinquent in

the payment of assessments may be removed from office by a vote of the Board and the successor director shall be chosen by the Board. The Members may elect a director at any time to fill any vacancy not filled by the directors. A vacancy created by the removal of a director by the Members can only be filled only by election by the Members. Successor directors may be elected by calling a special meeting of the Members pursuant to Section 3.2. A successor director shall serve for the unexpired term of his or her predecessor. Any director who resigns, or is removed, must forthwith return to the Association any of its books, records or other documents in his or her possession.

4.6 **Compensation**: No director shall receive compensation for any service rendered to the Association as a director. However, any director may be reimbursed for his or her actual expenses, if reasonable, incurred in the performance of his or her duties.

4.7 **Indemnification**: The Association shall indemnify any present or former director, officer, or other agent of the Association to the fullest extent authorized under California Corporations Code Section 7237, or any successor statute.

ARTICLE V MEETINGS OF DIRECTORS

5.1 **Regular Meetings**: Regular meetings of the Board shall be held quarterly or as often as deemed necessary by the Board at such place, and at such day and hour as may be fixed from time to time by resolution of the Board.

5.2 **Special Meetings**: Special meetings of the Board may be called by the president, vice president or any two directors.

5.3 **Notice**: Notice of the time and place of regular and special meetings of the Board shall be given to each director at least four (4) days prior to the meeting. For a special meeting, the notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one (1) of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, including a voice message system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail or other electronic means, either directly to the director or to a Person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director. All such notices shall be given or sent to the director's address, email address, or telephone number as shown on the records of the Association. Notice of all Board meetings shall be given to the Members by posting in the Common Area, by mail or delivery to each Owner, or by newsletter at least four (4) days prior to the meeting. Notice shall be given by mail at least four (4) days prior to the meeting to any Member who has requested notification of Board meetings by mail, at the address requested by the Member.

5.4 **Quorum:** A majority of the directors shall constitute a quorum for the transaction of business. Every act performed or decision 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.

5.5 **Open Meetings:** All meetings of the Board shall be open to all Members. The Board shall permit any Member to speak at any meeting of the Board, except for meetings held in executive session. A reasonable time limit for all Members to speak before a meeting of the Board shall be established by the Board.

5.6 **Executive Session:** The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and the formation of contracts with third parties. Matters involving Member discipline or the payment of assessments shall be held in executive session and the Members involved are entitled to attend. Any matter discussed in executive session shall be generally noted in the minutes of the immediately following meeting that is open to the entire membership.

5.7 **Telephone Attendance:** In the case of an absence, a director may participate in a Board meeting by conference telephone, so long as all directors and Members participating in the meeting can communicate with one another.

5.8 **Action Without Meeting:** In the case of an emergency, any action required or permitted to be taken by the Board may be taken without a noticed meeting if all directors consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consents shall be filed with the minutes of the Board. An explanation of the action taken shall be reported in the minutes and posted at a prominent place or places within the Common Area within seven (7) days after the written consents of all directors have been obtained.

ARTICLE VI POWERS AND DUTIES OF THE BOARD OF DIRECTORS

6.1 **Duties:** It shall be the exclusive duty of the Board to undertake all duties and responsibilities of the Association as expressed in the Governing Documents and to manage and conduct the affairs of the Association, except as expressly reserved to a vote of the Members. Such duties shall include, but are not limited to, the following:

6.1.1 **Oversight and Review:** Review and direct the officers and Manager to assure that the policies of the Board are being accomplished in a reasonable and prudent manner and that the requirements for the operation of the Property as set forth in the Governing Documents and the laws applicable to the Property are fulfilled to the extent reasonable and appropriate;

6.1.2 **Maintenance**: Cause the Common Area to be maintained as required by the Declaration;

6.1.3 **Insurance**: Procure and maintain insurance as required by the Declaration;

6.1.4 **Discharge of Liens**: Discharge by payment, if necessary, any lien against the Common Area and assess the cost thereof to the Member responsible for the existence of said lien after notice and hearing as required by these Bylaws;

6.1.5 **Assessments**: Fix, levy, collect and enforce assessments as set forth in the Declaration;

6.1.6 **Expenses and Obligations**: Pay all expenses and obligations incurred by the Association in the conduct of its business including, without limitation, all licenses, taxes, or governmental charges levied or imposed against the Property or the Association;

6.1.7 **Records**: Cause to be kept a complete record of all its actions and business affairs and to present a statement thereof to the Members at the annual meeting, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Total Voting Power of the Association; keep adequate and correct books and records of account, minutes of proceedings of its Members, Board and committees, and a record of its Members giving their names and addresses;

6.2 **Financial Requirements.**

6.2.1 **Review of Financial Records**: The Board shall review on at least a quarterly basis a current reconciliation of the Association's operating and reserve accounts, the current year's actual reserve revenues and expenses compared to the current year's budget, and an income and expense statement for the Association's operating and reserve accounts. In addition, the Board shall review the latest account statements prepared by the financial institutions where the Association has its operating and reserve accounts. For purposes herein, "reserve accounts" shall mean monies that the Board has identified from its annual budget to defray the future repair, replacement of, or additions to those major components that the Association is obligated to maintain.

6.2.2 **Reserve Account Withdrawal Restrictions**: The signatures of at least two (2) directors shall be required for the withdrawal of monies from the Association's reserve accounts.

6.2.3 **Reserve Account Fund Management**: The Board shall not expend funds designated as reserve funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, major components which the Association is obligated to repair, restore, replace, or maintain and for which the reserve fund was established. However, the Board may authorize the temporary transfer of money from a reserve fund to the Association's general operating fund to meet short-term cash-flow requirements or other expenses. The transferred funds shall be restored to the reserve fund

within one (1) year of the date of the initial transfer, except that the Board may, upon making a finding supported by documentation that a delay would be in the best interests of the Association, delay the restoration until the time which the Board reasonably determines to be necessary. The Board shall exercise prudent fiscal management in delaying restoration of these funds and in restoring the expended funds to the reserve account, and shall, if necessary, levy a special assessment to recover the full amount of the expended funds within the time limits required by this section.

6.2.4 **Reserve Studies:** At least once every three years, the Board shall cause to be conducted a reasonably competent and diligent visual inspection of the accessible areas of the major components which the Association is obligated to repair, replace, restore, or maintain as part of a study of the reserve account requirements of the Association. The Board shall review this study annually and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of that review. The study required by the subdivision shall at a minimum include:

(a) Identification of the major components which the Association is obligated to repair, replace, restore, or maintain which, as of the date of the study, have a remaining useful life of less than thirty (30) years.

(b) Identification of the probable remaining useful life of the components identified in paragraph (a) as of the date of the study.

(c) An estimate of the cost of repair, replacement, restoration, or maintenance of each major component identified in paragraph (a) during and at the end of its useful life.

(d) An estimate of the total annual contribution necessary to defray the cost to repair, replace, restore, or maintain each major component during and at the end of its useful life, after subtracting total reserve funds as of the date of the study.

As used in this section, "reserve account requirements" means the estimated funds that the Board has determined are required to be available at a specified point in time to repair, replace, or restore those major components which the Association is obligated to maintain.

6.2.5 **Budgets and Financial Statements:** The Board shall cause to be prepared and distributed budgets and financial statements to each Member as follows:

1. A pro forma operating budget for each fiscal year shall be distributed not less than forty-five (45) days nor more than sixty (60) days before the beginning of the fiscal year consisting of at least the following:

(a) Estimated revenue and expenses on an accrual basis;

(b) A summary of the Association's reserves based upon the most recent review or study which shall be printed in bold type and include all of the following:

(1) The current estimated replacement cost, estimated remaining life, and estimated useful life of each major component;

(2) As of the end of the fiscal year for which the study is prepared:

(i) The current estimate of the amount of cash reserves necessary to repair, replace, restore, or maintain the major components;

(ii) The current amount of accumulated cash reserves actually set aside to repair, replace, restore, or maintain major components.

(3) The percentage that the amount determined for purposes of clause (ii) of subparagraph (2) is of the amount determined for purposes of clause (i) of subparagraph (2).

(c) A statement as to whether the Board has determined or anticipates that the levy of one or more special assessments will be required to repair, replace, or restore any major component or to provide adequate reserves therefor.

(d) A general statement setting forth the procedures used for the calculation and establishment of reserves to defray the costs of repair, replacement or additions to major components of the Common Areas and facilities for which the Association is responsible.

In lieu of the distribution of the pro forma operating budget, the Board may elect to distribute a summary of the four (4) items described in this section to all the Members with written notice that the budget is available at the business office of the Association or at another suitable location on the Property and that copies will be provided upon request and at the expense of the Association. If any Member requests a copy of the pro forma operating budget, including the four (4) items referred to above, to be mailed to the Member, the Association shall provide the copy to the Member by first-class United States mail at the expense of the Association and delivered within five (5) days. The written notice that is distributed to each of the Members shall be in at least 10-point bold type on the front page of the summary of the statement;

2. A report consisting of the following shall be distributed within one hundred twenty (120) days after the close of the fiscal year: (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) for any fiscal year in which the gross income to the Association exceeds seventy-five thousand dollars (\$75,000.00), a copy of a review of the financial statement of

the Association prepared in accordance with generally accepted accounting principles by a licensee of the California State Board of Accountancy; (e) any information required to be reported under Section 8322 of the California Corporations Code;

3. If the report referred to in (2), above is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Association that the statement was prepared from the books and records of the Association without independent audit or review;

4. A statement describing the Association's policies and practices in enforcing lien rights, or other legal remedies for default in payment of its assessments against its Members, and a statement of the place where the names and addresses of the current Members are located shall be annually distributed to the Members during the sixty (60) day period immediately preceding the beginning of the Association's fiscal year.

6.3 **Powers**: The Board shall have power to:

6.3.1 **Manager**: Employ a Manager or a management company.

6.3.2 **Adoption of Rules**: Adopt Rules in accordance with the Declaration relating to the use of the Common Area and all facilities thereon, and the conduct of Owners and their tenants and guests with respect to the Property and other Owners; impose fines and other discipline, establish move-in fees, title transfer fees, and such other fees as may be reasonably necessary for the operation of the Association. Written copies of such Rules and any schedule of fines or penalties adopted by the Board shall be furnished to the Owners.

6.3.3 **Enforcement (Notice and Hearing)**: Enforce the Governing Documents, provided that any Owner charge with violating the Governing Documents shall be entitled to a hearing before the Board. Notice of the hearing, which shall include a description of the alleged violation and the potential remedies therefor, shall be given to the Member at least ten (10) days prior to the meeting. Notice shall be given by personal delivery or by first class mail. The Board shall inform the Member of any disciplinary action within fifteen (15) days following the hearing.

6.3.4 **Contracts**: Contract for goods and/or services in accordance with the Declaration.

6.3.5 **Delegation**: Delegate its authority and powers to committees, officers or employees of the Association or to a Manager. The Board may not delegate to the Manager the authority to make expenditures for capital additions or improvements chargeable against the reserve funds; to conduct hearings concerning compliance by an Owner with the Governing Documents; impose assessments, or impose discipline. Any such delegation shall be revocable by the Board at any time.

6.3.6 **Appointment of Trustee:** Appoint a trustee to enforce assessment liens by power of sale as provided in the Declaration and in Civil Code Section 1367(b).

6.4 **Prohibited Acts.** The Board shall not take any of the following actions, except with the vote or written consent of a majority of the Total Voting Power of the Association:

6.4.1 Entering into a contract with a third Person wherein the third Person will furnish goods or services for the Common Area or the Association for a term longer than one (1) year with the following exceptions:

(a) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

(b) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration provided that the policy permits short rate cancellation by the insured;

(c) Agreements for cable or wireless internet or television services and equipment, or fire or burglar alarm services and equipment, not to exceed five (5) years' duration.

6.4.2 Incurring aggregate expenditures for new capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year;

6.4.3 Selling during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; except the sale of a Condominium acquired through the foreclosure of an Assessment lien.

6.4.4 Paying compensation to directors or officers of the Association for services performed in the conduct of the Association's business; provided, however, that the Board may cause a director or officer to be reimbursed for the actual expenses, if reasonable, that are incurred in the performance of his or her duties.

ARTICLE VII OFFICERS AND THEIR DUTIES

7.1 **Enumeration of Officers:** The officers of this Association shall be a president, and vice president, who shall at all times be directors, a secretary, and treasurer, and such other officers as the Board may from time to time by resolution create. The same Person may fill the office of secretary or treasurer.

7.2 **Election of Officers:** The election of officers shall take place at the first meeting of the Board following each annual meeting of the Members.

7.3 **Term:** The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year and until his or her successor is elected.

7.4 **Special Appointments:** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

7.5 **Resignation and Removal:** Any officer may be removed from office (but not from the Board, if he or she is also a director) either with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, or the Manager. Such resignation shall take effect at the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

7.6 **Vacancies:** A vacancy in any office may be filled by the Board. The officer appointed to such vacancy shall serve the remainder of the term of the officer he or she replaces.

7.7 **Duties:** The duties of the officers are as follows:

7.7.1 **President:** The president shall preside at all meetings of the Members and Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, promissory notes, mortgages, deeds and other written instruments. The president shall have the general powers and duties of management usually vested in the office of the president of a California nonprofit mutual benefit corporation, and shall have such powers and duties as may be prescribed by the Board or by these Bylaws.

7.7.2 **Vice President:** The vice president shall act in the place and stead of the president in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

7.7.3 **Secretary:** The secretary shall supervise the recording of the votes and the maintenance of the minutes of all meetings and proceedings of the Board and of the Members; keep or have kept appropriate current records showing the Members together with their addresses, and shall perform such other duties as required by the Board.

7.7.4 **Treasurer:** The treasurer shall cause the receipt and deposit in appropriate bank accounts all monies of the Association and the disbursement of such funds as directed by the Board; shall keep or have kept proper books of account; and shall supervise the preparation of budgets and financial statements.

ARTICLE VIII
COMMITTEES

A nominating committee may be appointed, as provided herein. In addition, the Board may appoint other committees as deemed appropriate in carrying out its purpose. No committee, regardless of Board resolution, may: (a) take any final action on matters which, under these Governing Documents or the non-profit corporation law of California, also require Members' approval; (b) fill vacancies on the Board or in any committee; (c) amend or repeal any resolution of the Board; (d) create any other committees of the Board or the members of those committees; (e) approve any transaction to which the Association is a party and in which a director has a material financial interest.

ARTICLE IX
BOOKS AND RECORDS

9.1 **Inspection by Members:** The membership register (including names, mailing addresses, and voting rights), books of account and minutes of meetings of the Members, of the Board (including drafts and summaries), and of committees shall be made available for inspection and copying by any Member, or by his or her duly appointed representative, at any reasonable time and for a purpose reasonably related to his interest as a Member, at the office of the Association or at such other place as the Board shall prescribe.

9.2 **Rules for Inspection:** The Board shall establish reasonable rules with respect to:

(a) Notice to be given to the custodian of the records by the Member desiring to make the inspection;

(b) Hours and days of the week when such an inspection may be made;

(c) Payment of the cost of assembling and reproducing copies of documents requested by a Member.

9.3 **Inspection by Directors:** Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and copies of documents, at the expense of the Association.

9.4 **Documents Provided by Board:** Upon written request, the Board shall, within ten (10) days of the mailing or delivery of such request, provide any Member with a copy of (1) the Governing Documents; (2) a copy of the most recent financial budget and statements of the Association; (3) a true statement in writing from an authorized representative of the Association as to the amount of any assessments levied upon the Condominium which are unpaid on the date of

the statement, including late charges, interest, and cost of collection which, as of the date of the statement, are or may be made a lien upon the Owner's Condominium; (4) a statement of any monetary fines or penalties levied upon the Owner's Condominium that are unpaid; (5) a copy of any notice previously sent to the Owner that sets forth any alleged violations of the Governing Documents that remain unresolved; and (6) a statement as to any change in the Association's regular and special assessments and fees which have been approved by the Board, but have not become due. The Board may impose a fee for providing the foregoing which may not exceed the reasonable cost to prepare and reproduce the requested documents.

9.5 **Minutes:** The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any meeting of the Board, other than an executive session, shall be available to Members within thirty (30) days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any Member upon request and upon reimbursement of the Association's costs in making that distribution. Members shall be notified in writing at the time that the pro forma budget is distributed or at the time of any general mailing to the entire membership of the Association of their right to have copies of the minutes of meetings of the Board and how and where those minutes may be obtained.

ARTICLE X MISCELLANEOUS

10.1 **Amendment of These Bylaws:** These Bylaws may be amended only by the affirmative vote or written consent of Members representing a majority of the Total Voting Power of the Association. However, the percentage of voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

10.2 **Conflicts:** In the case of any conflict between the Articles and the Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

10.3 **Fiscal Year:** The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year.

I, the undersigned, the duly elected and acting President of the EDGEWATER ISLE NORTH HOMEOWNERS ASSOCIATION, a California nonprofit mutual benefit corporation, do hereby certify:

That the within and foregoing Restated Bylaws were adopted as the Bylaws of said corporation on the 25th day of February, 2004, and that the same do now constitute the Bylaws of said corporation.

This certificate is executed under penalty of perjury under the laws of the State of California on the 25th day of February, 2004, at Foster City, California.

Sheryl L. Mallett
EDGEWATER ISLE NORTH
HOMEOWNERS ASSOCIATION
President

State of California)
)ss
County of San Mateo)

On Feb. 25, 2004 before me, JOSE J. SAN GABRIEL, a Notary Public, personally appeared SHERYL L. MALLET, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Jose J. San Gabriel
Signature

