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PORTUGUESE RESID

DECLARATION NO. FOUR OF PROTECTIVE RESTRICTIONS

DECLARATION made this 12th day of January, 1992 by Palos Verdes Corporation, a corporation organized and existing under the laws of the State of Delaware,

WITNESSETH:

WHEREAS, Palos Verdes Corporation is the owner of a certain tract of land in the County of Los Angeles, State of California, which is more particularly hereinafter described; and

WHEREAS, Palos Verdes Corporation is about to sell or convey the said real property subject to certain protective restrictions, conditions, reservations, liens and charges between it and the acquirers or users of said property as hereinafter set forth,

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That Palos Verdes Corporation hereby certifies and declares that it has established and does hereby establish a general plan for the protection, maintenance, improvement and development of said real property, and does hereby fix the restrictions, covenants, conditions, reservations, liens and charges upon and subject to which all portions of said property shall be held, conveyed and leased by it as such owner, all of which are for the benefit of said property and of each owner thereof or of any portion thereof, and are covenants running with the land and shall inure to and pass with said property and each and every portion thereof and shall apply to and be binding upon the successive successors in interest of the respective owners thereof, and are said each is imposed upon said property as a servitude in favor thereof and of each and every portion thereof as the dominant tenement or tenements, as follows, to-wit:

ARTICLE I.

Property Subject to Declaration

The said real property subject to this declaration is situate in the County of Los Angeles, State of California, and is more particularly described as follows:

Those portions of Lot "H" of the Rancho Los Palos Verdes, in the County of Los Angeles, State of California, allotted to Jotham Bixby by decree of Partition in the action "Bixby, et al vs. Bess, et al," Case No. 2373, in the District Court of the 11th Judicial District of said State of California, in and for said County of Los Angeles, and entered in Book 4, Page 57 of Judgments, in the Superior Court of said County,

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described as follows:

PARCEL NO. 1. Beginning at the most southerly corner of the land described in deed to Edwin D. Levinson, recorded as Document No. 620 on March 19, 1930, in Book 9738, Page 385 of Official Records of said County; thence, along the Southwesterly boundary of said land, North 55° 31' 10" East 63.58 feet and North 34° 18' 05" East 76.06 feet; thence South 73° 28' 20" West 139.10 feet; thence South 15° 51' 30" West 83.00 feet to the Northwesterly boundary of the land described in deed to Charlotte Waverlip Conway, recorded as Document No. 738 on July 24, 1930, in Book 10198, Page 56 of said Official Records; thence, along the said last mentioned boundary, the following courses and distances: Southeastery along a curve concave Southwesterly, having a radius of 275.00 feet and a radial line of which passing through said last mentioned point has a bearing of North 15° 51' 30" East, a length of 44.03 feet, and South 61° 19' 00" East 102.16 feet to the most Easterly corner of said last mentioned land; thence Northeastery along a curve concave Southeastery, having a radius of 620.83 feet and a radial line of which passing through said last mentioned corner bears North 67° 16' 28.5" West, a distance of 122.38 feet, to the point of beginning.

PARCEL NO. 2. Beginning at the most southerly corner of the land described in deed to Edwin D. Levinson, recorded as Document No. 620 on March 19, 1930, in Book 9738, Page 385 of Official Records of said County; thence, along the Southwesterly boundary of said land, North 55° 31' 10" East 63.58 feet and North 34° 18' 05" East 76.06 feet to the true point of beginning of this description; thence South 73° 28' 20" West 139.10 feet; thence South 15° 51' 30" West 83.00 feet to the Northwesterly boundary of the land described in deed to Charlotte Waverlip Conway, recorded as Document No. 738 on July 24, 1930, in Book 10198, Page 56 of said Official Records; thence, along said last mentioned boundary, the following courses and distances: Northeastery along a curve concave Southwesterly which has a radius of 275.00 feet and a radial line of which passing through said last mentioned point bears North 15° 51' 30" East, a distance of 44.04 feet; North 83° 19' 00" West 92.44 feet to the beginning of a tangent curve therein which is concave Southeastery and has a radius of 100.00 feet; Northwesterly along said last mentioned curve 100.00 feet to the most southerly corner of said last mentioned land; thence, along the Northwesterly, Northeastery and Southerly continuation of said last mentioned curve, a distance of 237.19 feet; thence North 56° 40' 45" East 128.67 feet to the beginning of a tangent curve which is concave Southwesterly and has a radius of 695.00 feet; thence Northeastery along said last mentioned curve 72.06 feet to a point in the Southwesterly land first above mentioned; thence, along said last mentioned boundary, South 34° 18' 05" East 76.06 feet to the true point of beginning of this description.

Which real property (Parcels No. 1 and No. 2) is sometimes hereinafter referred to as "said property."

ARTICLE II

Definitions

Certain terms as used in this declaration shall be defined as follows, unless the context clearly indicates a different meaning therefor:

1. **Declaration:** This declaration as the same may be amended, changed or modified from time to time.
2. **Association:** The Portuguese Bend Community Association, a non-profit corporation organized under the laws of California, and the successors to its rights and powers hereunder.
3. **Committee:** The Architectural Committee, with powers as hereinafter provided.
4. **Building Site:** A parcel of land embraced within the property covered by this declaration, and, if so indicated by the context, other property subject to the jurisdiction of the Association; and:
 - (a) Designated as a building site in the first instrument of conveyance covering said parcel executed by said Palos Verdes Corporation or Filicium Corporation, a California corporation, recorded after the recording of this declaration, exclusive of any instrument of conveyance in which either of said corporations is the grantee; or
 - (b) Shown as a lot on any map of record of any original subdivision of said property, or any portion of said property, filed by Palos Verdes Corporation and/or said Filicium Corporation; or
 - (c) Shown as a lot on any map of resubdivision of said property, or any portion thereof, filed by Palos Verdes Corporation and/or said Filicium Corporation, which resubdivision has been approved by the Association.

Provided that none of the foregoing methods of designation of a building site or sites shall be exclusive and the last designation of a building site or sites shall be controlling. The foregoing shall be subject to Section 4 of Article I hereof.
5. **Lot or Parcel:** A distinct and separate portion of said property, and, if so indicated by the context, other property subject to the jurisdiction of the Association, whether the same is or is not a building site.
6. **Single Family Dwelling:** A private residence for one family alone containing but one kitchen, and, if desired, reasonable servants' quarters; provided that accessory and other buildings may be built and maintained in connection therewith as provided in paragraph 7 of this Article II.

7. Accessory Buildings or Structures:

(1) A building or structure accessory to a single family dwelling shall be upon the same building site, lot or parcel as the main residence and shall include only: (a) reasonable servants' quarters in a separate detached building, with or without a kitchen; and/or (b) a guest house or guest houses, without kitchen, to be used and occupied only by nonpaying guests of the occupant of the main residence; and/or (c) a private garage for not more than six motor vehicles; provided that each accessory building and the right to construct the same shall be subject to the approval of the Architectural Committee.

(2) Farm buildings, stables, corrals and/or customary outbuildings which are upon the same building site, lot or parcel as the main residence and used in connection therewith, and/or bridges used in connection with the said premises may also be constructed and maintained, if and when the construction of such buildings, stables, corrals and/or bridges is approved by the said Committee.

8. Owner, Record Owner, and Owner of Record Title: The owner of legal title as shown by the records of the County Recorder of the County of Los Angeles, and also the owner of equitable title as shown by such records if legal and equitable title are held of record by different owners; provided, however, that a mortgagee under a mortgage and a trustee and a beneficiary under a trust deed held as security and a lessee shall not be deemed an owner, record owner or owner of record title unless expressly provided to the contrary, and in the case of a sale under a contract of sale the purchaser and not the seller thereunder shall be deemed to be the legal owner until such contract is in effect if such contract has been recorded.

9. Community Facilities: Public buildings, parks, parkways, playgrounds, recreation areas, bridle trails, tennis courts, golf courses, club houses, swimming pools, bathing beaches, boat landings, boat houses, life rafts, life saving apparatus, places of amusement, riding academies and other facilities of like nature; all for the use and benefit of the owners of said property.

10. Recorded, Recording, and Of Record: Recorded, recording or of record in the office of the County Recorder of Los Angeles County, California.

11. Articles of Incorporation, and By-Laws: Articles of incorporation or By-Laws, as the case may be, of the Association as the same may be amended from time to time.

12. Approvals and Consents: Approval, consent, authorization or permission shall mean an approval, consent, authorization or permission in writing.

13. Person: An individual person, a copartnership, an association and/or a corporation as the context requires.

14. Singular and Plural, Masculine and Feminine: The singular shall include the plural and the plural the singular unless the context requires the contrary, and the masculine, feminine and neuter shall each include the masculine, feminine and neuter when the context so requires.

ARTICLE III.

Building Requirements

Section 1. Uses of Property.

(a) Single Family Dwellings. No building or structure shall be constructed, erected, altered or maintained on any building site, lot or parcel upon or within the property covered by this declaration which shall be used, designed or intended to be used for any purpose other than for a single family dwelling as defined and provided in Article II hereof and/or for use in connection therewith as provided in said Article, and no portion of said property shall be used for any purpose other than for single family dwelling purposes; provided that animals, poultry and birds may be kept upon property as provided in subsection (h) of this Section 1.

(b) Dwellings on Building Sites. Not more than one single family dwelling, together with accessory buildings and other buildings and structures permitted by Sections 6 and 7 of Article II hereof shall be erected, constructed or maintained upon a building site, and, without the approval of the Architectural Committee, no accessory or other building or structure shall be erected, constructed or maintained upon any building site, lot or parcel prior to the erection or construction of the main dwelling thereon.

(c) Minimum Ground Area Requirements. No main dwelling, exclusive of accessory buildings, and exclusive of any porch, patio, covered but unenclosed area and any accessory building which is or are attached to a part of said dwelling, shall be constructed, altered, placed or maintained upon any building site, lot or parcel embracing any portion of said property covered by this declaration: (1) in event such dwelling is of one story, if such dwelling covers less than one thousand two hundred and fifty square feet of ground floor area, and (2) in event such dwelling is of one and one-half or more stories, if such dwelling includes less than one thousand square feet of ground floor area and a total floor area of less than one thousand five hundred square feet.

(d) Building Setback Lines and Height Limits. No building, structure, grade or excavation shall be constructed, used, maintained or made closer to any exterior line (front, rear or side) of any building site, lot or parcel embraced within any portion of

said property covered by this declaration than is permitted by the Architectural Committee, and no building or structure shall be constructed, altered, used or maintained upon any such building site, lot or parcel of a height in excess of that authorized by said Committee, nor shall any grade or excavation be made upon said property or any part thereof which does not conform to the depth, slope and area permitted by said Committee.

(e) Split-Building Site Ownership. An ownership or single building comprising parts or portions of two or more adjoining building sites or all of one building site and one or more of a part of one or more building sites adjacent thereto may be readjusted by the owner or owners of the site or sites, or portion or portions thereof to be readjusted, into a single building site or a different number of building sites if approved by the Architectural Committee and Palos Verdes Corporation.

[REDACTED SECTION]

(g) Mining and Drilling. No derrick or other structure designed for use in boring or drilling for oil, water or natural gas shall be erected, placed or permitted upon any part of said property nor shall any oil, water or natural gas, petroleum, asphaltum or other hydrocarbon product or substance be produced or extracted therefrom, provided that the foregoing provisions of this subsection (g) shall not apply to any derrick or other structures used by Palos Verdes Corporation for boring or drilling for water, and water may be produced and extracted from said property and the property may be used for such purposes by Palos Verdes Corporation, which corporation may transfer all or a portion of its privilege under this subsection (g) to drill for and/or produce water, but only by specific mention thereof. No mining operations shall be conducted on, nor any mineral or mineral substance be produced or extracted from any part of said property.

(h) Animals and Poultry. The raising, keeping and/or selling of cattle, horses, sheep, rabbits, pigs, hogs, cats, dogs and/or other animals, poultry, birds and/or reptiles, either in the singular or plural number, for pleasure or for commercial gain upon any part of said property is prohibited except that: cats, dogs and other usual household pets and horses may be kept for pleasure upon said property, provided that they are not in unreasonable quantities and that they do not become a nuisance to other owners and/or occupants of said or other property subject to the jurisdiction of the Association.

(i) Rubbish and Debris. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any portion of said property so as to render said portion unsanitary, unsightly, offensive or detrimental to any of the property in the vicinity thereof or to the occupants thereof.

(j) Clothes Drying. No clothes, sheets, blankets or other articles shall be hung out to dry or for any other purpose on any part of said property excepting in a yard enclosed by a lattice or wood fence or other enclosure, approved by the Architectural Committee, at least six inches higher than such hanging articles.

(k) Condition and Repair. No building or structure upon any building site, lot or parcel covered by this declaration shall be permitted to fall into disrepair, and each such building and structure shall at all times be kept in good condition and repair and adequately painted.

(l) Non-occupancy and Diligence During Construction. The work of construction of any building or structure shall be prosecuted diligently and continuously from the time of commencement until the same shall be fully completed, and no such building or structure shall, without the approval of the Architectural Committee, be occupied during the course of original construction or until made to comply with the restrictions and conditions set forth in this declaration.

(m) Maintaining Natural Drainage. No obstruction, diversion, bridging or confining of existing channels through which water in time of storms naturally flows upon, under and/or across any portion of said property shall be made by any person in such a manner as to cause damage to any other portion of said property, provided that any existing channel may be diverted, bridged or reconstructed or a new channel constructed, if the said Architectural Committee shall determine that said new channel or diverted, bridged or reconstructed channel is adequate to carry the amount of storm and other water liable to flow therein, and shall approve the same; provided, further, that the right is expressly reserved to Peira Venetis Corporation, as an incident to the development of the entire property, including the construction of streets, gutters, ditches and otherwise, to cause reasonable increases or decreases in the amount of water which would in a state of nature flow into and through any such natural storm water channels.

Section 2. General Building, Architectural and Planting Requirements

(a) Approval of Plans, Planting and Alterations

(1) Building Plans, Etc. No building, dwelling, fence, sidewalk, wall, drive, vent, awning, sculpture, pole, privy, garage or other structure or excavation shall be erected, constructed, altered or maintained upon, under or above as noted upon any part of said property (including the driveway, cul-de-sac, easement, or other area) without the approval of the Architectural Committee. Plans for such buildings, structures, fences, sidewalks, walls, drives, vents, awnings, sculptures, poles, privies, garages or other structures or excavations shall be submitted to the Architectural Committee for its approval. The Architectural Committee may require the applicant to submit such plans as it may deem necessary. The Architectural Committee may also require the applicant to submit such information as it may deem necessary. The Architectural Committee may also require the applicant to submit such information as it may deem necessary.

material and color scheme thereof, and a plot plan indicating the location of such structure on the building site, lot or parcel to be built upon, and grading plans (if requested) of the building site, lot or parcel shall have been submitted to and approved by the said Architectural Committee and a copy of such plans and specifications, plot plan and grading plan (if requested) as finally approved is deposited for permanent record with the Association.

(2) Trees and Shrubs. No tree, bush or shrub over six feet in height or which is of the type that may grow to over six feet in height shall be planted or replanted on any portion of said property including those planted or replanted by said Association) unless a plot plan showing the kind of tree, bush or shrub and the exact location thereof shall have been submitted to and approved by the Architectural Committee.

(3) Alterations. No building or structure referred to in this subsection (a) of this Section 2 shall be changed or altered (including changes and/or alterations by said Association) so that the construction, exterior appearance or color scheme is changed, and no plot plan, grading or excavation referred to in this subsection (a) shall be changed or altered, and the planting referred to in this subsection shall not be changed as to type or location, without the approval of said Architectural Committee.

(4) Billboards and Signs. No billboard or sign of any character shall be erected, maintained or displayed (including those erected, maintained or displayed by said Association) upon or about any part of said property without the approval of the said Committee, and any billboard or sign not so permitted may be summarily removed and destroyed.

(5) Temporary Buildings and Signs of Palms Verdes Corporation. The provisions of this Section 2 and of this declaration shall not apply to temporary buildings, structures, or signs erected, constructed, used or maintained by Palms Verdes Corporation and/or Williams Corporation or the agents of either or both of them for or in connection with the sale, development or use of the property covered by this declaration or property immediately adjoining the same.

(b) Approval of Completed Works of Improvement. Upon compliance with subparagraphs 1, 2 and 3 of subsection (a) of this Section 2, all construction, work of improvement, alterations, planting and other work of whatever kind covered by the plans and specifications, plot plans, grading plans (if requested), landscaping plans and other plans and matters requiring such approval, shall be done and performed in accordance therewith, and upon the proper completion thereof in accordance with this subsection (b), the Architectural Committee shall, upon request, issue its certificate of completion and compliance. If said Committee fails to approve or reject such plans and matters requiring approval within thirty days after the same have been submitted to it, then such plans and matters shall be conclusively presumed to have been approved, and also if no certificate of disapproval thereof by said Committee (as provided for in Section 8 of Article IV) has been recorded within one year after notice of completion has been recorded covering such building, struc-

ture, or work, or if no action to enforce the provisions of this declaration in connection with the building, structure, or work covered thereby has been filed within said one year period, the approval thereof by said Committee shall be conclusively presumed to have been given.

(c) Approval of Subdivision Plans. No part of the property covered by the declaration shall be subdivided or re-subdivided, nor shall any map of the same nor any declaration of further or additional restrictions upon said property, or any part thereof, be recorded, unless and until the same shall have been submitted to and approved in writing by the Architectural Committee and by Palos Verdes Corporation; provided, however, that said approval of the Committee shall not be necessary as to any part of said property, the record ownership of which is vested at such time in Palos Verdes Corporation or Filiorum Corporation.

(d) Right of Inspection. During reasonable hours any member of the said Committee or any agent of such Committee or any representative of the Association or Palos Verdes Corporation or Filiorum Corporation shall have the right to enter upon and inspect any building site, lot or parcel embraced within said property and the improvements thereon for the purpose of ascertaining whether or not the provisions of this declaration have been or are being complied with and shall not be deemed guilty of trespass by reason thereof.

(e) Regulations. The said Committee may promulgate regulations defining and describing buildings and structures, plot plans, grading, planting, construction, alterations and/or matters in respect to which its approval may be given under the provisions of this Section 2 without the filing of plans and specifications or other plans or information, and may prescribe the manner by which its approval thereto shall be given.

(f) Waiver and Liability.

(1) The approval by the Architectural Committee of any plans and specifications, plot plan, grading, planting, or any other plan or matter requiring approval under the declaration shall not be deemed to be a waiver by the said Committee of its right to withhold approval as to a similar or any other feature or element embodied therein when subsequently submitted for approval in connection with the same building site, lot or parcel or any other building site, lot or parcel.

(2) Neither the said Committee, nor any member thereof, nor the Association, nor Palos Verdes Corporation, nor Filiorum Corporation, shall be in any way responsible or liable for any loss or damage for any error or defect which may or may not be shown on any plans and specifications, or in any plot or grading plan or planting or other plan or in any building or structure or work done in accordance with any such plans and specifications or plan, or in connection with any other matter whether or not the same has been approved by said Committee and/or any member thereof and/or the Association and/or Palos Verdes Corporation and/or Filiorum Corporation.

ARTICLE IV.

Architectural Committee

Section 1. Members of Committee

The Architectural Committee shall consist of three members, each of whom shall be appointed or elected for the term and be subject to the provisions set out in this declaration. No member of said Committee need be a member, director or officer of the Association.

Section 2. Appointment and Election of Committee Members.

(a) Appointment by Palms Verdes Corporation. The right to appoint the respective members of said Committee shall be and hereby is vested in Palms Verdes Corporation until such time as said corporation releases such authority by the recording of a statement of such release duly executed by said corporation. Each member of said Committee, subject to appointment by Palms Verdes Corporation, shall serve until such time as said corporation appoints a member to succeed him by recording a notice of such appointment, or until such member resigns by recording a notice of such resignation. The original members of such Committee who are hereby appointed by Palms Verdes Corporation are the following:

<u>Name</u>	<u>Present Address</u>
Frank A. Vanderlip, Jr.	Administration Building Rolling Hills, California
Donald B. Ayres	5648 West Pico Blvd. Los Angeles, California
Martin L. Houseman	5648 West Pico Blvd. Los Angeles, California

(b) Appointment by Board of Directors of Association. Upon the authority to appoint said members being released by Palms Verdes Corporation the authority to appoint the members shall be vested in the board of directors of the Association and such appointment shall be by election by said board of directors in the same manner as officers of the Association are elected. Upon such election of said members of said Committee, the said Committee shall be deemed a Committee of the Association and shall thereafter, but not before, anything to the contrary in this declaration notwithstanding, be subject (within the limits set out in this declaration) to its control and jurisdiction. The term of office and compensation, if any, of the members elected by the board of directors shall be governed and controlled by the provisions of the by-laws of the Association.

Section 3. Powers of Committee.

The powers and authority of the Committee shall be as provided in this declaration and, to the extent that said Committee is granted any power or authority under this declaration, the same shall

be paramount and superior to all other powers and authority under this declaration excepting to the extent that such powers and authority may be shared with Palos Verdes Corporation and/or Filigum Corporation. Said powers and authority of the Committee shall not be enlarged or diminished except by modification or amendment of this declaration as provided hereafter, and the same shall not be limited or changed by action of the board of directors of the Association.

Section 4. Action by Committee.

Approval, disapproval, consent, dissent or any action by the Committee shall require the affirmative action or vote, as the case may be, of at least two members thereof which shall be taken or made in the following manner: The Committee may act (a) by approval, disapproval, consent or dissent agreed to in writing and signed by at least two of its members; or (b) by vote at a meeting assembled, subject to all provisions as to notice of meeting, waiver of any such notice, place of regular and special meetings and all other matters contained in the by-laws of the Association applicable to the Committee.

Section 5. Conclusive Evidence of Action by and Membership of Committee.

(a) Approval, disapproval, consent or dissent given or action taken by the Committee pursuant to the provisions of this declaration may be evidenced by a certificate thereof signed by at least two members of the Committee, which may be recorded, and such certificate shall be conclusive evidence of such approval, disapproval, consent or dissent, unless revoked by a certificate stating that the same has been revoked, signed by at least two such members, which may also be recorded. Provided, that as to all such matters as also require or permit action by Palos Verdes Corporation and/or Filigum Corporation any such certificate of approval, disapproval, consent or dissent or any revocation of any such certificate must have an approval thereon in writing signed by an officer of the said corporation or corporations whose action is so required or permitted.

(b) A certificate signed by at least two members of the Committee as to the then constituted membership of the Architectural Committee, shall be conclusive evidence of such membership until such time as a like certificate certifying as to new membership constituting said Committee has been similarly signed by at least two such members, after which time said last certificate shall be conclusive evidence as to the then membership. The certificates referred to herein may be recorded.

(c) Any title company or person certifying, guaranteeing or insuring title to any building site, lot or parcel subject to the jurisdiction of the Association or of any lien thereon or interest therein shall be fully justified in relying upon the contents of any certificate signed and issued as provided for in subsections (a) and (b) of this Section 5, and such certificate shall fully protect any purchaser or encumbrancer in good faith in acting thereon.

ARTICLE V.

Portuguese Bend Community Association

Purposes, Memberships and Maintenance Charges

Section 1. Purpose of Association.

Portuguese Bend Community Association, a nonprofit association organized under the laws of the State of California, shall have the right and power (together with its general powers as a nonprofit corporation and in addition to any other powers granted it in this declaration and subject to the other provisions of this declaration and any limitations imposed thereby), to do and perform each and every of the following for the benefit, maintenance and improvement of the property covered by this declaration, and any other property at any time under the jurisdiction of the Association if so provided in the restrictions and conditions covering the same, and for the benefit of the owners thereof, to-wit:

(a) To purchase, construct, improve, repair, maintain, care for, own and dispose of parks, parkways, playgrounds, open spaces and recreation areas, tennis courts, golf courses, club houses, swimming pools, bath houses, bathing beaches, boats, boat houses, piers, boat landings, life rafts, life guards, life saving apparatus, skating rinks, hangars and fields for aircraft, band stands, skating pavilions, casinos, places of amusement, hospitals, libraries, museums, aquariums, riding academies and community facilities appropriate for the use and benefit of the owners of, and/or for the improvement and development of said property, or any part thereof, and to charge for the use thereof.

(b) To hold easements for or the fee to add to improve, light and maintain streets, roads, alleys, trails, bridge paths, courts, walks, gateways, fences, ornamental features, fountains, shelters, transit stations, and similar buildings and improvements, grass plots and other areas and plantings; to care for, plant and replant trees, shrubs or other plants on streets, parks, playgrounds, school grounds, easements, or upon any property over which it may have control or jurisdiction; to construct, improve, purchase and/or maintain sewer systems, storm water sewers and drains upon its easements and properties; to provide for the collection and disposition of street sweepings, ashes, garbage, rubbish and the like and to make and collect charges therefor; insofar as it can legally do so, to grant franchises, rights of way and easements for public utilities and other purposes upon, over and/or under any of said properties in respect to streets, roads, alleys, walks, easements and/or rights of way over which the Association has jurisdiction, to exercise such control as the Association may deem desirable and to issue permits to make cuts or excavations in such streets, roads

or easements when necessary and to require bonds or deposits therefor; and to erect, care for and maintain adequate signs for marking streets, parks or other property.

(c) To remove, clean up and/or burn grass and weeds and to remove any unsightly or obnoxious things from any building site, lot or parcel under its jurisdiction and to take such action with reference to such building sites, lots and parcels as may be necessary or desirable to keep the property neat and in good order; and to make and collect additional charges therefor as provided in subsection (b) of Section 3 of this Article V.

(d) To provide insofar as it may lawfully do so for community fire and/or police protection, for the protection of all or any portion of the property under the jurisdiction of the Association and/or the owners of said property and/or residents thereof; and to make and collect additional charges therefor as provided in subsection (c) of Section 3 of this Article V.

(e) To enter into agreements, contracts and arrangements with any owner of a building site, lot or parcel under the jurisdiction of the Association for construction or repair work, planting or replanting, care, cleaning, protecting, maintaining or the rendering of special services generally in connection with such building site, lot or parcel and/or the improvements thereon; provided the foregoing shall be paid for directly by such owner and shall not be paid from funds derived from either the general or special charges and/or assessments provided for in Section 3 of this Article V.

(f) To enter into, make, perform and carry out contracts of every kind for any lawful purpose, consistent with its status as a nonprofit corporation, with any person, firm, association, corporation, municipality, county, state, or other governmental subdivision. The foregoing powers shall include the right to make agreements with municipal, county, township, state, national or other public officials or with any political subdivision or any corporation or individual for and on behalf of the owners of said property covered by this declaration and other property owned or subject to the jurisdiction of the Association for a division of the work or the doing of the work on the streets, roads, parks or other portions of said property or for any other work to be done or utilities to be furnished as will enable the Association to cooperate with said officials, corporations or individuals to secure the benefits for the said property referred to or portions thereof that can be derived from the pro-rata share of any municipal, county, state, national or other funds that may be available for use thereon or in connection therewith or which might otherwise benefit the property.

(g) To exercise such powers of enforcement, control, interpretation, modification and cancellation of covenants, conditions, reservations, restrictions, liens and/or charges imposed upon any

property over which the Association has jurisdiction which now are or hereafter may be vested in, delegated to, or assigned to the Association, and to pay all expenses incidental thereto; to commence and maintain in its own name, on behalf of itself and/or any person owning any building site, lot or parcel subject to its jurisdiction or in the name of and on behalf and as the agent of any owner of any such building site, lot or parcel, actions and suits to restrain and enjoin the breach or threatened breach of any restriction, condition or covenant and/or to enforce each and every restriction, condition, covenant, reservation, lien or charge affecting property subject to the jurisdiction of the Association, and to pay the expenses therefor.

(h) To establish, maintain and operate in addition to said Architectural Committee, such departments, boards and committees as may be provided for in the by-laws of the Association, with such powers and authority as said by-laws may provide, and to make funds of the Association available for the use of such departments, boards and committees; to employ a manager, secretaries, engineers, auditors, legal counsel, technical consultants or any other employees or assistants provided for by the by-laws of the Association or authorized by its board of directors; to pay all expenses necessary or incidental to the conduct and carrying on of the business of the Association; to keep records of all matters pertaining to the operation of the business or affairs of the Association; and to issue certified copies of its records and documents and to make and collect a charge therefor.

(i) Generally to do any and all things that a corporation organized under the laws of the State of California may lawfully do in operating for the benefit of its members and without profit to said corporation except as expressly limited in this declaration; and to do any and all lawful things which may be authorized or permitted to be done by the Association under or by virtue of this declaration or any restrictions, conditions, covenants, liens and/or charges or laws at any time affecting property subject to the jurisdiction of the Association and to do and perform any and all acts which may be necessary for or incidental to the exercise of any of the express powers of the Association or for the peace, health, comfort, safety and/or general welfare of the owners of any property subject to the jurisdiction of the Association.

(j) Provided that, all of the foregoing powers of the Association and all powers and authority granted the Association in this declaration shall be subject and subordinate to the provisions of Section 2 of Article III of this declaration and other authority granted the said Architectural Committee and/or Palos Verdes Corporation and/or Fillmore Corporation under this declaration.

Section 2. Membership in Association

The requirements and qualifications for memberships in the Association shall be subject to all provisions and conditions contained in the articles of incorporation and/or by-laws of the Association, provided, however, that:

(a) The ownership of legal and/or equitable title of record to a building site, lot or parcel embraced within the property covered by this declaration or other property subject to the jurisdiction of the Association, shall qualify such owner for membership in the Association while he remains such owner, so long as such owner complies with the said provisions and conditions of said articles of incorporation and by-laws, subject to the following:

(1) Not more than one membership shall be issued based upon the ownership of any such building site, lot or parcel regardless of any difference in ownership of legal title and the ownership of equitable title thereto;

(2) The ownership of a building site, regardless of area, shall be a basis of membership, but the area of a lot or parcel required as a basis of membership shall be as provided in the by-laws of the Association.

(3) The ownership of title or any interest therein, either legal or equitable, held as security for the payment of money or for the performance of any other obligations, shall not be the basis for membership in the Association.

(4) Neither Palos Verdes Corporation nor Filiorum Corporation shall be entitled to or qualified for any membership or memberships in the Association by reason of the ownership of any building site, lot or parcel which is not subject to maintenance and improvement charges or assessments as provided for by Section 3 of this Article V.

(5) A purchaser and not the seller under a contract of sale covering a building site, lot or parcel subject to the jurisdiction of the Association (the ownership of which would qualify one for membership), shall be entitled to a membership by reason of such ownership so long as such contract is in effect if said contract has been recorded.

(6) In all other respects the articles of incorporation and/or by-laws of the Association shall control as to whether the legal or equitable owner of any such building site, lot or parcel shall be entitled to membership in the Association and as to all other qualifications for membership.

Section 3. Maintenance and Improvement Charges

(a) General Charges, Assessments and Liens. Each building site, lot, parcel and/or portion of property and the improvements thereon embraced within the real property covered by this declaration after the same has been conveyed by Palos Verdes Corporation to someone other than Filiorum Corporation, or made subject to a contract of sale executed by Palos Verdes Corporation as seller, and if conveyed by Palos Verdes Corporation to Filiorum Corporation, then after the same has been conveyed by Filiorum Corporation or made subject to a contract of sale executed by Filiorum Corporation as seller, except property and/or improvements owned by the Association or designated by the board of directors of the Association as being devoted to public or semi-public use or not included in assessments by the County of Los Angeles, shall be subject to a continuous maintenance lien securing payment of an annual charge or assessment to be fixed, established and collected from time to time as herein provided. The Association shall have sole authority to fix and establish annually the amount of such annual charge or assessment (together with the penalties and costs of collection thereon) which charge or assessment shall be based on the assessed valuation of such building site, lot, parcel and/or portion of property and the improvements thereon as established by the County Assessor of Los Angeles County, or any successor authority, for the then current fiscal year, or for the last fiscal year for which such assessed valuation is then available. All such annual charges and assessments shall be made at a rate fixed by the board of directors of the Association based upon a uniform percentage of the respective assessed valuations, but such rate for any fiscal year shall never at any time be in excess of the annual tax rate established for all purposes for such fiscal year (or for the last fiscal year for which an assessed valuation is then available) by the City Council of Los Angeles, or any successor authority, for the City of Los Angeles. Provided, however, that said maximum tax rate may be increased by and to the extent agreed upon by the owners of record of not less than two-thirds in area of all lands subject to the jurisdiction of the Association which are subject to said charges and/or assessments, by written consent signed by such proportion of said owners duly recorded, provided that no such increased rate shall be effective as to the property covered by this declaration unless a similar increase becomes effective as to all property subject to charges and/or assessments by the Association.

(b) Clean-up Charges and Assessments. Each portion of the property covered by this declaration and the improvements thereon subject to the maintenance and improvement charges or assessments provided for in subsection (a) of this Section 3 shall also be subject to a continuous additional maintenance lien securing payment of the special clean-up charges provided for in Section 1 of this Article V, and the Association shall have full authority to do such clean-up work and to levy charges and assessments therefor as to each or any of the building sites, lots or parcels covered by this declaration, and to affix and establish annually the amount of such

charge and assessment, if any, including penalties and costs, necessary or advisable to do said work on any such building site, lot or parcel; provided that said charge and assessment shall only be made when the cost of the work done on any such building site, lot or parcel is greater than the ordinary proportionate amount of the funds which are available for such purpose from the general annual maintenance charge; provided further, that the charges and assessments so collected from the owner of any such building site, lot or parcel shall be expended solely for cleaning up and keeping in good order such building site, lot or parcel.

(c) Charges and Assessments for Fire and Police Protection and Special Community Facilities. In addition to the other charges and assessments provided for in this Section 3, each portion of the property covered by this declaration and the improvements thereon subject to the maintenance and improvement charges or assessments provided for in subsection (a) of this Section 3, shall also be subject to a continuous additional maintenance lien securing payment of such special charges or assessments as may be levied from time to time by the board of directors of the Association for additional funds for community fire and/or police protection and/or special community facilities (as "community facilities" are defined in Article II hercof). The special charges and assessments provided for by this subsection (c) shall be a lien and be fixed, levied and enforced in the same manner and to the same effect as the said general charges and assessments provided for by said subsection (a) of this Section 3 and the funds derived therefrom shall be used only for the aforesaid purposes; provided, however, that the special charges and assessments provided for under this subsection (c) shall not in any fiscal year be in excess of fifty per cent of said general charges and assessments assessable under said subsection (a) for said fiscal year; and provided, further, that nothing contained in this subsection (c) shall prevent funds obtained from said general charges and assessments from also being used for said fire and police protection and for community facilities, special or otherwise.

(d) Collection and Expenditure of Charges and Assessments. The Association shall have sole authority to collect and enforce the collection of all charges and/or assessments provided for or referred to in subsections (a), (b) and (c) of this Section 3, or otherwise provided for in this declaration, together with costs, penalties and interest imposed for the nonpayment thereof (costs provided for in this section to include reasonable attorneys' fees), and to expend all moneys collected from such charges, assessments, costs, penalties and/or interest for the payment of expenses and costs in carrying out the rights and powers of the Association as specified in this declaration and/or in the articles of incorporation and/or by-laws of the Association, subject to any express limitations contained in this declaration as to special charges and/or assessments, or otherwise.

(e) Fiscal Year and Due Dates. Each and every of the charges and/or assessments provided for or referred to in said subsections (a), (b) and/or (c) of this Section 3 and/or otherwise provided for in this declaration, subject to subsection (h) of this Section 3, shall be fixed on or about the first Monday of October, 1951, for the fiscal year beginning July 1, 1951, and annually thereafter on or about the first Monday of October of each year for each succeeding fiscal year (which shall run from July 1 to June 30, both inclusive), and each such charge and/or assessment shall be paid annually in advance to the Association (or otherwise than in advance as to clean-up charges, if so determined by the board of directors of the Association) on or before the first Monday in November in each and every year beginning in November, 1951, on which date each such charge and/or assessment shall become enforceable against the building site, lot or parcel and the improvements thereon (if any) against which the same have been assessed, and shall so continue until said charge and/or assessment, together with all costs, penalties and interest provided for, have been paid.

(f) Notice of Delinquency. At any time within one hundred and twenty days after any such general and/or special and/or clean-up charge or assessment against any building site, lot or parcel has become delinquent, the Association may record a notice of delinquent charges and/or assessments as to such building site, lot or parcel, which notice shall state therein the amount of such delinquency, and the interest, costs and penalties which have accrued thereon, a description of the building site, lot or parcel against which the same has been assessed, and the name of the record or reputed owner thereof, and such notice shall be signed by the Secretary or an Assistant Secretary of the Association; provided that upon the payment of said charges and/or assessments, interest, penalties and costs in connection with which such notice has been so recorded, or other satisfaction thereof, the Association shall record a further notice stating the satisfaction and the release of the lien thereof.

(g) Enforcement of Liens. Each lien established pursuant to the provisions of this declaration may be foreclosed as and in the same manner as is provided for the foreclosure of a mortgage upon real property by the laws of California at the date of the commencement of such foreclosure action; interest shall accrue at the rate of six per cent per annum upon all unpaid charges or assessments from the date of delinquency, and in any action to foreclose any such lien the Association shall be entitled to costs, including reasonable attorneys' fees; penalties for delinquent charges or assessments shall be as established by the by-laws of the Association.

(h) Power to Suspend Charges and Assessments. At any time prior to the first Monday of October, 1951, Palos Verdes Corporation may suspend all power and authority of the Association to levy any and all charges and assessments upon the property covered by this declaration by recording a statement of its intent to so suspend such power and authority and by specifying in said statement the time limit, which shall not be in excess of two years from the date of recording such statement, during which the same shall be suspended; provided that said suspension period may be shortened after the recording of said statement by Palos Verdes Corporation similarly recording a notice stating the time by which said suspension period has been so reduced.

(i) Charges and Assessments Against Property of Palos Verdes Corporation. Palos Verdes Corporation may at any time or from time to time as to the property or any part thereof owned by it and covered by this declaration, and Filliorum Corporation also may at any time or from time to time as to property or any part thereof hereafter owned by it and covered by this declaration, record a statement indicating its intent to subject all or any part of said property to the charges and assessments provided for by this Section J, or a portion of such charges or assessments, and said property as to which such intent is so expressed shall on and after the date of such recording be subject to such charges and assessments to the extent provided for in said recorded statement; and after Palos Verdes Corporation has so recorded any such statement it shall be entitled to, and after Filliorum Corporation has recorded any such statement it shall also be entitled to memberships in the Association based upon the ownership of a building site or sites, a lot or lots, or parcel or parcels which are so made subject to such charges or assessments upon the same basis as other owners.

(j) Reservation of Assessment Liens. Palos Verdes Corporation, as to the property covered by this declaration and each building site, lot or parcel embraced therein hereafter conveyed by it or in connection with which it has executed a sales contract as seller and Filliorum Corporation as to every building site, lot or parcel covered by this declaration hereafter conveyed by it or in connection with which it has executed a sales contract as seller, except as otherwise expressly provided, has established and does hereby establish, reserve and impose a lien thereon securing each charge and/or assessment provided for by this declaration, together with said costs, penalties and interest, upon such building site, lot or parcel, and each of said corporations does hereby assign to the Association the right to collect and enforce the collection of the same.

(k) Mortgages and Trust Deeds. Any lien or charge or assessment, together with any costs, penalties or interest, established, reserved or imposed under this declaration shall be subordinate to any valid bona fide mortgage or trust deed (and the lien and/or title thereof) which has been or may hereafter be given in good faith and for value on any building site, lot or parcel covered by this declaration; provided, however, that any subsequent owner of any such building site, lot or parcel shall be bound by the restrictions, conditions, covenants, reservations, liens and charges set out in this declaration or any modification thereof, whether obtained by foreclosure or trust deed sale, or otherwise, not including, however, any lien, charge or assessment arising prior to any sale under any such mortgage or trust deed.

ARTICLE VII.

Duration and Modification

Section 1. Duration of Restrictions

All of the restrictions, conditions, covenants, reservations, liens and charges set forth in this declaration shall continue and remain in full force and effect at all times against said property covered by this declaration, and each part thereof, and the owners thereof, subject to the right to amend, change, modify and terminate provided for in Section 2 of this Article VII, until January 1, 1975. All of the said restrictions, conditions, covenants, reservations, liens and charges in this declaration contained which are subject to expiration shall, as the same are in force immediately prior to such expiration, be continued automatically without further notice from that time for a period of ten years and thereafter for successive periods of ten years each without limitation, unless within the six months prior to January 1, 1975, or within the six months prior to the expiration of any successive ten year period thereafter, a written agreement executed by the then record owners (including mortgagees under recorded mortgages and trustees under recorded trust deeds) of more than one half of the area of all lands covered by this declaration, exclusive of streets, parks, and property owned by the Association, be recorded, by the terms of which agreement any of said restrictions, conditions, covenants, reservations, liens and charges are changed, modified or extinguished in whole or in part as to all or any part of the property subject thereto, in the manner and to the extent therein provided. In the event any such written agreement of extinguishment, change or modification be duly executed and recorded as provided herein the restrictions, conditions, covenants, reservations, liens and charges as therein modified shall continue in force for successive periods of ten years unless and until further changed, modified or extinguished in the manner above provided.

Section 2. Modification of Restrictions

(a) Method of Modification. Amendment, change, modification or termination of all or any of the restrictions, conditions, covenants, reservations, liens or charges set forth in this declaration or any deed, contract of sale or lease hereafter recorded, unless otherwise provided therein, may be made and effected from time to time by written instrument duly executed and recorded:

- (1) As to any property covered by this declaration then owned by Palos Verdes Corporation, or any portion thereof, by the Association and Palos Verdes Corporation, and as to any property covered by this declaration then owned by Filiorum Corporation, or any portion thereof, by the Association and Filiorum Corporation; and

ARTICLE VII.

Duration and Modification

Section 1. Duration of Restrictions

All of the restrictions, conditions, covenants, reservations, liens and charges set forth in this declaration shall continue and remain in full force and effect at all times against said property covered by this declaration, and each part thereof, and the owners thereof, subject to the right to amend, change, modify and terminate provided for in Section 2 of this Article VII, until January 1, 1975. All of the said restrictions, conditions, covenants, reservations, liens and charges in this declaration contained which are subject to expiration shall, as the same are in force immediately prior to such expiration, be continued automatically without further notice from that time for a period of ten years and thereafter for successive periods of ten years each without limitation, unless within the six months prior to January 1, 1975, or within the six months prior to the expiration of any successive ten year period thereafter, a written agreement executed by the then record owners (including mortgagees under recorded mortgages and trustees under recorded trust deeds) of more than one half of the area of all lands covered by this declaration, exclusive of streets, parks, and property owned by the Association, be recorded, by the terms of which agreement any of said restrictions, conditions, covenants, reservations, liens and charges are changed, modified or extinguished in whole or in part as to all or any part of the property subject thereto, in the manner and to the extent therein provided. In the event any such written agreement of extinguishment, change or modification be duly executed and recorded as provided herein the restrictions, conditions, covenants, reservations, liens and charges as therein modified shall continue in force for successive periods of ten years unless and until further changed, modified or extinguished in the manner above provided.

Section 2. Modification of Restrictions

(a) Method of Modification. Amendment, change, modification or termination of all or any of the restrictions, conditions, covenants, reservations, liens or charges set forth in this declaration or any deed, contract of sale or lease hereafter recorded, unless otherwise provided therein, may be made and effected from time to time by written instrument duly executed and recorded:

- (1) As to any property covered by this declaration then owned by Palos Verdes Corporation, or any portion thereof, by the Association and Palos Verdes Corporation, and as to any property covered by this declaration then owned by Filiorum Corporation, or any portion thereof, by the Association and Filiorum Corporation; and

- (2) As to all or any part of any other property then covered by this declaration, by the Association, Palos Verdes Corporation, and the owners of record of two-thirds in area of all lands covered by the restrictions, conditions, covenants, reservations, liens or charges which are to be so amended, changed, modified or terminated.

Provided, however, that in neither case shall any such amendment, change, modification or termination as to any property be made without the written consent, duly executed and recorded, of the owners of record of not less than two-thirds in area of all lands held in private ownership within five hundred feet in any direction from the exterior boundary of the property concerning which such amendment, change, modification or termination is sought to be made; and provided, further, that this shall not be construed as requiring the consent of any owner or owners of any property not under the jurisdiction of the Association.

(h) Modification as to Occupancy. Amendments, changes and/or modifications of provisions of this declaration, under the method provided in subsection (a) of this Section 2, which restrict the right of occupancy of building sites, lots or parcels to members of the Association or which otherwise restrict the right of occupancy of any building site, lot or parcel, shall be permitted, and also amendments, changes and/or modifications of the provisions of this declaration, under said subsection (a) of this Section 2, which add requirements for membership in the Association shall be permitted; provided that all approvals and disapprovals as to any such right of occupancy or as to a person becoming a member of the Association which are required under any such amendment, change or modification, may be given by either the Board of Directors of the Association or Palos Verdes Corporation. Provided, further, that no bona fide purchaser for value of a building site, lot or parcel at a foreclosure sale under any trust deed or mortgage which was in effect at the time of any amendment, change or modification which is authorized under this subsection (b) of this Section 2 shall have his right of occupancy or right to be a member of the Association limited or affected as to or in connection with said building site, lot or parcel so purchased by him by reason of any such amendment, change or modification so authorized under this subsection (b) unless the beneficiary and trustee under the trust deed so foreclosed or the mortgagee under the said mortgage so foreclosed or said purchaser consent in writing to the contrary prior to such foreclosure sale; and provided also that no such amendment, change or modification shall affect the right of occupancy of a building site, lot or parcel of the owner or occupant thereof or the right of the owner of a building site, lot or parcel to be a member of the Association by reason of being such owner if such owner or occupant is the owner or occupant of such building site, lot or parcel upon the effective date of such amendment, change and/or modification and has not agreed in writing to such amendments, changes or modifications, but any succeeding owner or occupant of such building site, lot or parcel, who becomes

the owner or occupant thereof after the effective date of such amendment, change or modification shall be bound by each such amendment, change or modification, subject to the foregoing provisions as to sales under trust deeds or mortgages. The Association and Palos Verdes Corporation shall each have and each is hereby granted the right to record a statement or statements that it will not agree to amend, change or modify this declaration for the purposes authorized in this subsection (b) of this Section 2 or that it will not agree to so amend, change or modify this declaration for said purposes excepting with certain limitations or upon certain conditions and upon such statement or statements by either being recorded the same shall be permanently effective and thereupon, all rights of each and every party to so amend, change or modify as authorized in this subsection (b) shall be terminated if any such statement so provides, or shall be limited or subject to conditions as provided for in any such statement.

(c) Modification of Building Sites. The number and/or size of any building site or sites now or hereafter included in any lot, parcel or portion of the property covered by this declaration, whether established by this declaration, by deed or by whatever means, may be amended, changed or modified (in addition to the use of the aforesaid method) by written instrument duly executed by the record owner or owners of such building site or building sites, with the approval of the Architectural Committee and Palos Verdes Corporation endorsed thereon, and duly recorded.

(d) Consent of Mortgagees, Trustees, Beneficiaries and Lessees. "Owner", "Record owner" and "owner of record title", and the plural of each of said terms, as used in this Section 2, shall include not only the persons designated in paragraph 8 of Article II hereof, but also each mortgagee, trustee under a trust deed, lessee and seller under a contract of sale, appearing of record, shall be deemed to be an owner of the land covered by his mortgage, trust deed, lease or contract of sale with rights under this Section 2 equal to those of owners under said paragraph 8 of Article II.

ARTICLE VIII.

Annexation of Additional Property

As to any lands owned by Palos Verdes Corporation within the hereinafter set out area, upon the execution of a declaration of restrictions by said corporation, and upon such declaration being recorded, and/or upon any other owner or owners of land within said area executing a declaration of restrictions in the form hereinafter provided, with the approval of Palos Verdes Corporation in writing thereon, and upon such declaration being similarly recorded, the Association shall have jurisdiction over the lands described in any such declaration and the improvements thereon and shall have the power, authority and duty to do and perform all of the acts, and fix, impose and collect all charges and assessments from the owner

or owners of said lands as therein provided, and such owner or owners shall be entitled to membership in the Association as provided in such declaration; provided, however, that each of such declarations covering lands within said area, unless otherwise approved by the Association and Palos Verdes Corporation, shall contain provisions which impose restrictions, conditions, reservations, covenants, liens and charges similar to those set forth in the following articles of this declaration: Article II, Article III, with the exception of subsections (a), (b) and (c) of Section 1 of Article III, Article IV, excepting as to the original members of the Committee as set out in subsection (a) of Section 2 of Article IV, Article V, excepting as to dates in subsections (c) and (h) of Section 3 of Article V, Article VI, Article VII, excepting that a later date for the expiration of the restrictions may be included, Article VIII, Article IX and Article X, with such variations as may be required by reason of differences in time or dates and/or differences in ownership and/or conditions between the property covered by such new declaration and the property covered by this declaration, and with such other provisions as said Palos Verdes Corporation may deem proper and which are not in conflict with the other provisions to be contained therein pursuant to this Article VIII. Said area referred to in this Article VIII is situated in the County of Los Angeles, State of California, and is described as follows:

Lot "H" of the Rancho Los Palos Verdes in the County of Los Angeles, State of California, allotted to Jotham Bixby by decree of Partition in the action "Bixby, et al, v. Bent, et al.", Case No. 2373 in the District Court of the 17th Judicial District of said State of California, in and for said County of Los Angeles, and entered in Book 4, Page 57, of Judgments, in the Superior Court of said County.

ARTICLE IX.

Miscellaneous

Section 1. Acceptance of Provisions by Grantees.

Each grantee, owner and lessee hereafter of any building site, lot or parcel included in said property or holder hereafter of a contract of sale or lease covering any such building site, lot or parcel, accepts the same subject to all of the restrictions, conditions, covenants, reservations, liens and charges and the jurisdiction, rights and powers of the Association, the Architectural Committee, Palos Verdes Corporation, and Filiorum Corporation provided for in this declaration.

Section 2. Conclusiveness of Records.

For the purpose of making a title search upon or guaranteeing or insuring title to any building site, lot or parcel or interest therein or lien thereon embraced within the property covered by this declaration and for the purpose of protecting purchasers and/or encumbrancers for value and in good faith: (a) as to any act or non-act by the Association and/or its board of directors and/or any of the Association's departments, committees or agents (excepting the Architectural Committee) and/or as to the performance or non-performance of any act by any owner of any building site, lot or parcel or of any interest therein or lien thereon embraced within said property, including but not limited by the payment of any charge or assessment, a certificate as to any matters contained in the records of the Association certified by the Secretary of the Association shall be conclusive proof as to all such matters shown thereby; and (b) as to any act or non-act by Palos Verdes Corporation or Filium Corporation, a certificate as to any matters contained in the records of such respective corporations certified by an officer thereof shall be conclusive proof as to all matters shown thereby. The provisions of this Section 2 shall not apply to the acts or non-acts of the Architectural Committee but the acts or non-acts of said Committee shall be evidenced as provided in Section 5 of Article IV.

Section 3. Street Grades, Cuts and Fills.

Palos Verdes Corporation reserves the right to make such cuts and fills as are necessary to grade the streets and roads, whether or not dedicated to the public, or private ways, within the boundaries thereof, in accordance with such grades as it may establish, including the right, so far as is reasonable and proper for necessary support and protection of streets, roads or ways so graded, to slope upon abutting lots; and Palos Verdes Corporation may assign any of such rights to the Association.

Section 4. Interpretation of Restrictions.

(a) In interpreting and applying the provisions of this declaration they shall be held to be minimum requirements adopted for the promotion of the health, safety, comfort, convenience and general welfare of the owners and occupants of said property. It is not the intent of this declaration to interfere with any provisions of any law or ordinance or any rules, regulations or permits previously adopted or issued or which may be adopted or issued pursuant to law relating to the use of buildings or premises; nor is it the intent of this declaration to interfere with or abrogate or annul easements, covenants or other agreements between parties; provided, however, that where this declaration imposes a greater restriction upon the use and/or occupancy of building sites, lots or parcels, or upon the construction of buildings or structures, or in connection with any other matters than are imposed or required by such provisions of law or ordinances or by such rules, regulations or permits or by such easements, covenants and agreements, then in that case the provisions of this declaration shall control.

(b) In case of uncertainty or ambiguity or conflict of opinion as to the meaning of the provisions of this declaration or any of them, or as to the meaning of any restriction, covenant or condition applying to said property, or any part thereof, the Association shall in all cases interpret the same, and such interpretation shall be final and conclusive excepting as to the rights of Pales Verdes Corporation and Filiorum Corporation, and each of them, hereunder.

Section 5. Construction and Validity of Restrictions.

All of said restrictions, conditions, covenants, reservations, liens and charges contained in this declaration shall be construed together; but if it shall at any time be held that any one of such restrictions, conditions, covenants, reservations, liens or charges, or any part thereof, is invalid or for any reason becomes unenforceable, no other restriction, condition, covenant, reservation, lien, or charge, or any part thereof, shall be thereby affected or impaired.

Section 6. Authority to Release Rights.

Pales Verdes Corporation and Filiorum Corporation shall each have the authority at any time after the recording of this declaration to release all, or from time to time any part of its rights under this declaration to approve, disapprove or act under any of the provisions of this declaration by recording a written notice of such release, and to the extent of such release the approval, disapproval and/or action by the said corporation executing the same shall no longer be required under the provisions of this declaration.

Section 7. Prior Recorded Restrictions.

Any prior recorded restrictions, conditions, covenants, reservations and/or declaration of restrictions covering or including the property covered by this declaration, or any part thereof, may be changed, modified or cancelled in the same manner and to the same extent as if this declaration had not been recorded and Pales Verdes Corporation was the owner of all land covered by this declaration (including all rights and interests therein); and each owner of a building site, lot or parcel, or any part thereof, entered within the property covered by this declaration, or of any interest, lien or right in, against or to any such building site, lot or parcel, or any part thereof, who becomes such owner subsequent to the date of the recording of this declaration agrees that said prior recorded restrictions may be changed, modified or cancelled in whole or in part without his approval, consent or agreement thereto, if such change, modification or cancellation is approved by Pales Verdes Corporation, and waives any and all rights which he may have to object to or prevent any such change, modification or cancellation which is so approved by Pales Verdes Corporation; provided that no such change, modification or cancellation shall nullify any of the provisions of this declaration; provided, further, that the provisions of this Section 7 shall not apply to Filiorum Corporation as the owner of property covered by this declaration.

Section 8. Ingress and Egress to and from Palos Verdes Drive, South.

Vehicular ingress and egress to and from Palos Verdes Drive, South, and any building site, lot or parcel embraced within the property covered by this declaration, is prohibited (excepting as otherwise approved by Palos Verdes Corporation) unless the same is over a street leading into Palos Verdes Drive, South, and there shall at no time be constructed or maintained upon any such building site, lot or parcel a private or other driveway leading into or from Palos Verdes Drive, South, without the approval of Palos Verdes Corporation.

Section 9. Assignment of Powers.

Any and all rights and/or powers of Palos Verdes Corporation provided for in this declaration and/or any modification and/or amendment thereof, may be delegated, transferred, assigned or conveyed to the Association and/or any person, corporation or association by Palos Verdes Corporation.

Section 10. Waiver and Exemptions.

(a) The failure by the Association and/or Palos Verdes Corporation and/or any owner of any building site, lot or parcel included in said property or any other person, to enforce any of the restrictions, conditions, covenants, reservations, liens, or charges to which said property or any part thereof is subject, shall in no event be deemed a waiver of the right to do so thereafter or to enforce any other restriction, condition, covenant, reservation, lien or charge.

(b) Any portion of said property or any interest therein the title to which is acquired by the state of California and/or the United States of America and/or by any public authority may, with the written approval of the Palos Verdes Corporation and the Association, be specifically exempted from any or all of the provisions herein except the provisions of subsections (g) and (i) of Section 1 of Article III hereof.

Section 11. Titles.

All titles used in this declaration, including those of articles, sections and subsections, are intended solely for convenience of reference, and the same shall not, nor shall any of them, affect the terms or provisions of this declaration nor the meaning thereof.

Section 12. Successors in Interest.

Reference herein to either the Association, Palos Verdes Corporation or Filiorum Corporation shall include each successor of the business or affairs of such corporation, and each such successor shall succeed to the rights, powers and authority hereunder of the said corporation to whose business or affairs it succeeds.

ARTICLE X

Easements and Rights of Way, Etc.

Section 1. Descriptions.

Falco Verdes Corporation hereby specifically reserves easements and rights of way on, over, under, across and along the following described parcels and strips of land, and the use of such easements and rights of way as easements and rights of way shall not be restricted by the following portions of Article III hereof: Subsections (a) to (d), inclusive, of Section 1, subparagraphs (1) and (3) of subsection (a) of Section 2, and subsections (b) and (c) of Section 2; and each of said easements and rights of way may be used for the purposes for which they are reserved; said parcels and strips of land being:

(a) The Southwesterly 50.00 feet of the aforesaid Parcel No. 1, embraced within the property covered by this declaration, and the Westerly and Northwesterly 5.00 feet and the Northeasterly 10.00 feet of said Parcel No. 1.

(b) The Southwesterly, Westerly and Northwesterly 50.00 feet of the aforesaid Parcel No. 2, embraced within the property covered by this declaration, and the Northeasterly 10.00 feet and the Southeasterly and Easterly 5.00 feet of said Parcel No. 2.

Section 2. Uses and Purposes of Easements and Rights of Way.

The easements and rights of way referred to in Section 1 of this Article X are reserved for the purpose of constructing, erecting, operating and maintaining thereon:

(a) Roads, streets, or bridle trails, parkways and park areas; and

(b) Poles, wires and conduits for the transmission of electricity for lighting, heating, power, telephones and other purposes and for the necessary attachments in connection therewith; and

(c) Public and private sewers, storm water drains, land drains, and pipes, water systems, water, heating and gas mains or pipes; and

(d) Any other method of conducting and performing any public or quasi-public utility service or function upon or beneath the surface of the ground.

Section 3. Jurisdiction and Control of Easements.

(a) Notwithstanding anything in this Article contained, Palos Verdes Corporation, by and with the approval of the board of directors of the Association in respect to easements subject to the Association's jurisdiction and control, shall have the right from time to time to release, convey and quitclaim to the owner of the building site, lot or parcel on which any easement and/or right of way is a servitude, all or so much of said easement or right of way hereby or in any other manner reserved as in the judgment of Palos Verdes Corporation, and the board of directors of the Association in respect to easements subject to the Association's jurisdiction and control, is no longer required; and Palos Verdes Corporation may also in any deed or conveyance reserve further easements and rights of way for such uses and purposes as may be designated and set forth therein.

(b) The jurisdiction and control of the Association as to easements and rights of way established by Palos Verdes Corporation shall extend only to such easements and rights of way as may be conveyed to it by Palos Verdes Corporation or in respect to which the Association shall be granted jurisdiction and control by Palos Verdes Corporation, said easements, whether or not under the jurisdiction or control of the Association, shall at all times be open to Palos Verdes Corporation and its assigns and licensees, and easements and rights of way over which the Association has jurisdiction and control shall at all times be open to it, and Palos Verdes Corporation and its assigns and licensees in respect to all of said easements and rights of way, and the Association with respect to easements and rights of way subject to its jurisdiction and control, shall have the right of ingress and egress thereto and therefrom and the right and privilege of doing whatever may be necessary in, under and upon said locations for the carrying out of any of the purposes for which said easements and rights of way are reserved, and shall not thereby in any manner be deemed guilty of trespass; and Palos Verdes Corporation shall have the right at any time and from time to time to convey to others or to dedicate to the public all or any part of the easements and/or rights of way provided for in this Article or otherwise established by Palos Verdes Corporation, and also to extinguish (with the written approval of the Association as to easements and rights of way subject to its jurisdiction and control) all or any part of such easements and rights of way.

Section 4. Building Sites.

(a) Parcel No. 1 of the property covered by this declaration shall constitute one (1) building site unless otherwise designated under the provisions of Section 4 of Article II hereof.

(b) Parcel No. 2 of the property covered hereby may be used for two (2) building sites, provided that upon the division thereof into two building sites neither of said building sites shall be less than three-quarters (3/4) of an acre in area and no portion of said Parcel No. 2 shall be used as a building site unless such site is three-quarters (3/4) of an acre or more in area.

IN WITNESS WHEREOF, Palos Verdes Corporation has caused its signature and seal to be hereunto affixed by its duly authorized officers the day and year first above mentioned.

PALOS VERDES CORPORATION

(SEAL)

BY *Frank A. Wanders*
President

ATTEST:

John H. Robertson
Assistant Secretary

ACCEPTANCE

PORTUGUESE BEND COMMUNITY ASSOCIATION, a non-profit corporation organized under the laws of the State of California, does hereby accept and consent to all of the terms, provisions and conditions, including all protective restrictions, conditions, covenants, reservations, liens, charges and assessments, of the foregoing declaration and by this acceptance and consent agree to act in the capacity and with the powers and authority given it under said declaration. This acceptance and consent is hereby executed contemporaneously with the execution of said declaration and the undersigned hereby causes its signature and seal to be hereunto affixed by its authorized officers the day and year of the date of said declaration.

PORTUGUESE BEND COMMUNITY ASSOCIATION

(SEAL)

BY *John A. ...*
President

ATTEST:

James ...
Asst. Secretary

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On this 12th day of January , 1951, before me, the under-
signed Notary Public in and for said County and State, personally
appeared FRANK A. VANDERLIP, JR., known to me to be the President, and
JOHN H. ROBERTSON, known to me to be the Assistant Secretary of
PALOS VERDES CORPORATION, the corporation that executed the within
instrument, known to me to be the persons who executed the within
instrument on behalf of the corporation herein named, and acknow-
ledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my official seal the day and year in this certificate first
above written.

(Seal)

Notary Public in and for said
County and State.

My Commission Expires April 14, 1951

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On this 12th day of January , 1951, before me, the under-
signed Notary Public in and for said County and State, personally
appeared Kelvin C. Vanderlip , known to me to be the President, and
Harold H. Straight, known to me to be the Secretary of PALOS VERDES
COMMUNITY ASSOCIATION, the corporation that executed the within
instrument, known to me to be the persons who executed the within
instrument on behalf of the corporation herein named, and acknow-
ledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year in this certificate first above
written.

(Seal)

Notary Public in and for said
County and State.

My Commission Expires April 14, 1951

2798

PORTUGUESE NEWS

**SEPARATION NO. FOUR OF PROTECTIVE
REGULATIONS**

Doc. 35314 PAGE 312

Date: January 12, 1951

DOCUMENT No. 2798
RECORDED AT REQUEST OF
Chas. Van der Meer

JAN 15 1951

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PAGE

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OFFICIAL RECORDS
County of Los Angeles, California

FILE # 15 30
HARVEY D. BEATTY, County Recorder

[Signature]

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