

BY-LAWS OF ORINDA DOWNS HOMEOWNERS ASSOCIATION

November 7, 2023

ARTICLE I

Section 1. Principal Office. The principal office of the corporation is fixed and located in the area known as Orinda Downs in the County of Contra Costa, State of California.

ARTICLE II MEMBERS

Section 1. Classes of Members. There shall be one class of members in this Association, including homeowners and lot owners.

Section 2. Homeowners. Homes shall be deemed to be completed when they have received final County of Contra Costa approval.

Section 3. Lot Owners. A lot shall be defined to be a homesite ready for building, with utilities installed to the lot line.

Section 4. Members. A member shall be that person or persons whose name or names appear in the official records of the County Recorder's Office, County of Contra Costa, State of California, as owning a lot or home in the Orinda Downs area. In the event that record ownership is in more than one name, such as without limitation, joint tenancy, or tenancy in common, only one of such record owners shall be a member of the Association. All of the joint owners shall designate in writing one of their number to be a member, subject to all other provisions of these by-laws. The joint owner designated as a member shall remain a member until notice is given in writing to the Association that all of the joint owners revoke their designation and designate another of their number to be a member.

Section 5. Transfer of Membership. The transfer of membership in this Association shall automatically pass when the name of the owner of either the home or the lot is changed in the official records of the County Recorder, County of Contra Costa, and written notice thereof is received by the board of directors, provided that the new record owner shall not be entitled to membership until all dues and fees due and unpaid from the transferring member have been paid in full.

Section 6. Voting Rights. In all matters which shall be presented for a vote of the members, all members shall be entitled to one full vote on each matter before the Membership and no member shall be denied a ballot for any reason other than not being a member.

Section 7. Dues and Assessments. The members of the Association shall be liable for the payment of such dues and assessments as may from time to time be fixed and levied by the board of directors in the good faith exercise of its discretion. The dues and assessments shall be levied equally upon each homeowner membership and lot owner membership. Dues are due and payable June 1, of each year, and delinquent July 15 of each year. If such dues and assessments are not paid by the member prior to delinquency, they shall bear

interest at the highest rate allowed by law (currently 10% per annum) from the date of delinquency and the board of directors in its discretion may file a claim of lien as provided hereafter in these by-laws or take such other action as they deem necessary for the benefit of the Association.

Section 8. Transfer Fees. The board of directors may, from time to time, in the good faith exercise of its discretion, fix a fee (the "Transfer Fee") to be paid by each member desiring to transfer his or her membership to cover the cost and expenses of providing information to a title insurance company or escrow holder concerning the status of the membership to be transferred. Unless designated otherwise by the board of directors the Transfer Fee shall be One Hundred Dollars (\$100.00).

Section 9. Enforcement of Lien. The Association, acting through any officer, may file a claim of lien if any dues, fees and other costs are due and unpaid, and if such claim of lien is filed, the Association shall have the right to foreclose the same in accordance with the provisions of the laws of the State of California then in effect governing the foreclosure of mortgages on real property and the judgment in such action shall contain an award of attorneys' fees to the Association; provided, however, that such action shall be brought within 120 days after the filing of such claim of lien or it shall be barred; and provided, further, that if a sale of the fee or leasehold interest and improvements owned by the delinquent member is made pursuant to such foreclosure action, the delinquent member shall have the right of redemption within two (2) years from the date of such sale by payment of the principal amount of the judgment together with interest on said amounts at the then legal rate per annum from the date of such sale to the date of redemption. The entry of record of the satisfaction of any such judgment or of a certificate executed by the Association acknowledging the satisfaction of such judgment or the redemption of such property to which said judgment shall have reference, shall wholly free such property from the lien of any such judgment and the owner or owners thereof shall be restored to all rights of Membership in the Association.

In addition to judicial foreclosure of such lien the Association may enforce such lien in the manner provided by law for the foreclosure of a mortgage or a deed of trust under a power of sale, in which event any person designated by the board of directors of the Association in writing shall be deemed to be acting as agent of the lienor (mortgagee or beneficiary of a Trust Deed), and such agent shall be entitled to actual expenses and such fees as may be allowed by law or as may be prevailing at the time such sale is conducted. The Certificate of Sale shall be executed and acknowledged by any two members of the Association's board of directors or by the person conducting the sale. A deed upon foreclosure shall be executed in like manner.

For the purpose of this Section 9, a certificate executed and acknowledged or made under penalty of perjury by any two members of the Association's board of directors shall be conclusive upon the Association and the members in favor of any and all persons who rely thereon in good faith as to the matters therein contained, and any member shall be entitled to such a certificate setting forth the amount of any due and unpaid assessments with respect to his Unit Ownership (or the fact that all assessments due are paid if such is the case) within fifteen (15) days after demand therefor and upon payment of a reasonable fee not to exceed Fifty Dollars (\$50.00). In the event any claims of liens have been recorded as herein provided, and thereafter the Association shall receive payment in full of the amount claimed to be due and owing, then upon demand of the

member or his successor, and payment of a reasonable fee, not to exceed Fifty Dollars (\$50.00), the board, acting by any two members, shall execute and acknowledge (in the manner above provided) a release of lien, stating the date of the original claim of lien, the amount claimed, the date, book and page wherein the claim of lien was recorded, the fact that the lien has been fully satisfied and that the particular lien is released and discharged, such release of lien to be delivered to the Owner or his successor upon payment of the fee. No amendment of this Section 9 shall be effective without the two-thirds (2/3) written consent of all the members.

In the event that the Association shall fail to enforce the payment of assessments for a period of ninety days (90), the County of Contra Costa may do so, and for such purpose shall have all of the rights of the Association as hereinabove set forth.

Section 10. Payment of Delinquent Dues. At any time prior to judgment in such action, the delinquent member may pay said dues, assessments and interest together with costs of attorney's fees incurred by the Association for work performed through the date of such payment, whereupon the Association will file for record a satisfaction and release of any lien recorded in its favor.

ARTICLE III MEETINGS OF MEMBERS

Section 1. Place of Meetings. All annual and special meetings of members shall be held at such a place as may be fixed from time to time by resolution of the board of directors.

Section 2. Annual Meetings. The annual meeting of the members shall be held each year at such time on such date as determined by the board of directors. It shall be for the purpose of annually electing the directors (either by secret ballot or acclamation) and any other matters being voted on by the members. Reports of association activity may also be presented. Written notice of the annual meeting shall be given to each member not less than ten (10) days prior to each meeting, unless otherwise specifically required in these by-laws and shall specify the place, the day and the hour of such meeting. Such notice may be transmitted by electronic means.

Section 3. Special Meetings. Special meetings of members for any purpose or purposes whatsoever may be called at any time by the President or by the board of directors, or by members representing at least twenty percent (20%) of the total votes of all members entitled to cast votes. Except in special cases where other express provision is made by statute, notice of such special meetings shall be given in the same manner as for annual meetings of members. Notices of any special meeting shall specify in addition to the place, the day and the hour of such meeting, the general nature of the business to be transacted.

Section 4. Notice of Meeting When Deemed Given. Except as otherwise provided in these by-laws, written notice of each meeting of members shall be deemed to have been given either: (a) when deposited in the United States mail, first class postage prepaid, addressed to the member at the address set forth on the books of the Association as the address of the member for purposes of receiving notice; or (b) when transmitted electronically to the last email address provided to the Association by the member.

Section 5. Quorum. In any election of one or more directors where written secret ballots are used, the number of valid ballots received shall constitute a quorum. The quorum for any other vote of the membership shall be 20% of the members of the association, unless a higher number or percentage is expressly required by law, such as in Civil Code section 5605(c), which requires a quorum of more than fifty percent of the members for certain votes concerning assessments. The members present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. Meetings may be continued from time to time to permit a quorum to be present or for any other proper reason.

Section 6. Proxies. Every person entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such person or his duly authorized agent and filed with the Secretary of the Association; provided, that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution, unless the member executing it specifies therein the length of time for which such proxy is to continue in force, which in no case shall exceed seven (7) years from the date of its execution.

Section 7. Nominations and Election of Directors.

(a) Voting by members. For a vote on any of the matters specified in Civil Code section 5100(a), voting by the members shall be conducted by secret ballot using “the double envelope” system” as described in Civil code section 5115(a). Ballots and two envelopes with instructions on how to return ballots shall be mailed by first class mail or delivered to all Members in such vote or election. Ballots shall be distributed a minimum of thirty (30) days prior to the deadline for voting. These matters are: (i) elections regarding assessments legally requiring a member vote (ii) election and removal of directors, (iii) amendments to the governing documents and (iv) grants of exclusive use of common area property pursuant to Civil Code section 4600.

(b) Nomination Procedures. Nominations of candidates for election to the Board of Directors may be made by a Nominating Committee or by self-nomination. The Board may recruit qualified candidates and/or may appoint a Nominating Committee prior to any election of directors. On or before the deadline for nominations, the Nominating Committee, if one is appointed, shall nominate as many candidates for the board as it shall, in its discretion determine, but shall endeavor to nominate not less than the number of positions on the board that are to be filled by the election. All nominations shall be made from among members who satisfy the qualifications set forth in the Election Rules. Any member who satisfies the qualifications set forth in the Election Rules may place his or her name in nomination for election to the board by giving written notice to the President or Secretary of the Association. Notice of self-nomination must be given prior to the deadline for nominations.

(c) Deadline For Nominations. The deadline for nominations shall be set by the board in accordance with the Election Rules. Any member who satisfies the qualifications and is not otherwise prohibited from running for the board may place their name in nomination for the board. All nominations must be received by the published deadline. There shall be no nominations from the floor at the Annual Meeting or at any meeting at which directors are to be elected.

(d) Publication of Deadline for Nominations. At least thirty (30) days before the deadline for submitting a nomination, the Association shall provide general notice of the procedure and deadline for submitting a nomination for the board.

(e) Notice of Known Candidate Names. The names of all individuals known by the board to be qualified candidates for the election to the board as of the published deadline for nominations shall be set forth on the "Candidate Registration List. ("List")." The names of all persons on the List shall be set forth on the ballot.

(f) Election by Acclimation. If, as of the published deadline, for receiving nominations, the number of qualified candidates for election is not more than the number of directors to be elected, then the qualified candidates shall be declared elected and shall take office at the first board meeting following the deadline for nominations, or, if later and an Annual Meeting is held, then at the first meeting following the Annual Meeting. Written notice of the election result shall be given to the members.

(g) Election of Directors. In the event written ballots are necessary for the election of directors (i.e. where acclimation is not appropriate), the voting shall be conducted by secret ballot using the process described in Civil Code section 5115(a).

ARTICLE IV DIRECTORS

Section 1. Powers. Subject to limitations of the Articles of Incorporation, or the by-laws, and of the California Corporations Code as to action to be authorized or approved by the members, and subject to the duties of directors as prescribed by the by-laws, all corporate powers shall be exercised by or under authority of, and the business and affairs of the Association shall be controlled by the board of directors. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the directors shall have the following powers, to wit:

(a) To select and remove all the other officers, agents and employees of the Association, prescribe such law, with the Articles of Incorporation or the by-laws, fix their compensation and require from them security for faithful service.

(b) To conduct, manage and control the affairs and business of the Association, and to make such rules and regulations therefor not inconsistent with law, with the Articles of Incorporation or the by-laws, as they may deem best.

(c) To change the principal office for the transaction of the business of the Association from one location to another, to designate any place within the County of Contra Costa, State of California, for the holding of any members' meeting or meetings, to adopt, make and use a corporate seal, and to prescribe the form of certificates from time to time, as in their judgment they may deem best, if any such certificates are required.

(d) To borrow money and incur indebtedness for the purposes of the Association, and to cause to be executed and deliver therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidence of debt and securities therefor; provided, however, that the board of directors may not

incur indebtedness aggregating in the excess of Five Thousand Dollars (\$5,000.00) without the prior approval of fifty-one (51%) of the total votes of all members entitled to cast votes.

(e) To appoint an executive committee, and to delegate to such committee, subject to the control of the board of directors, any of the powers and authority of said board except the power to adopt, amend or repeal the by- laws.

(f) To appoint an Advisory Committee without limitation to the number of members thereof to assist the board of directors in their conduct, management and control of the affairs and business of the Association, provided, however, that any such member must be a member of the Association, or the spouse of a member of the Association, unless otherwise authorized by at least seventy percent (70%) of the board members.

(g) To fix and levy from time to time dues and assessments upon the members of the Association which may not exceed the amounts set forth in these By-laws; to determine and fix the due date for payment of such dues and assessments and the date upon which the same shall become delinquent.

(h) The board of directors, on behalf of the Association, may levy fines, including specified recurring fines, upon any member for any violation, by a member, a member of the member's family, as sub-lessee of a member, or a member's guest, of the published rules (CCRs and by-laws) adopted for the use and protection of the members and for the protection of the facilities in accordance with the amounts, conditions and limits set forth in the CCRs. In the event of a dispute between a member and the Board regarding an alleged violation or the amount imposed, the meet and confer provisions set forth in Civil Code Section 5915 apply to a member request to meet and confer about the dispute. Failure to pay any fine levied hereunder, in addition to the remedies set forth in the CCRs, shall have the same effect as failure to pay dues or assessments.

Section 2. Number, Qualification of Directors. The board of directors shall consist of eight (8) directors, unless fewer than eight (8) members in good standing agree to serve on the board, in which case the board may consist of fewer than eight (8) members. No person shall be eligible to be elected or to serve as a director of this Association unless he or she meets all of the qualifications to run for or serve on the board as provided in the election rules.

Section 3. Term of Office.

Directors shall serve two-year terms. To the extent practical an effort shall be made to have four (4) directors elected each year for two-year terms, or one-half of the directors if the board consists of fewer than eight (8) directors. There shall be no limit on the number of times any individual may serve as a director.

Section 4. Vacancies

(a) A vacancy shall be deemed to exist in the case of the death, resignation or removal of any director or when a director does not meet the qualifications for director because of a transfer of his membership.

(b) Vacancy in the board of directors may be filled by a majority of the remaining directors, and the terms of such directors so nominated to fill such vacancies shall be the same as the directors they have replaced.

Section 5. Place of Meeting. All meetings of the board of directors shall be held at such place and at such time as may be designated from time to time by resolution duly adopted by the board of directors, except that the President or any three directors may call at any time a special meeting of the board. Notice of the time and place of each special meeting shall be delivered to each director within forty-eight (48) hours prior to the time of holding the meeting. Notice of the time and place of each regular meeting is hereby dispensed with.

Section 6. Waiver of Notice. The transactions of any meeting of the board of directors, however called and noticed, or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

Section 7. Quorum. A majority of the number of directors shall be necessary to constitute a quorum for the transaction of the business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the board of directors.

Section 8. Fees and Compensation. No director or officer shall receive any salary for his services as director or officer, provided, however, nothing herein contained shall be construed to preclude any director or officer from serving the Association in any other capacity and receiving compensation therefor, or to preclude a director or officer from being reimbursed for expenses incurred on behalf of the Association.

ARTICLE V OFFICERS

Section 1. Election. There shall be President, Vice President, Secretary and Treasurer of this Association, chosen annually by the board of directors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be chosen and qualified.

Section 2. Subordinate Officers, etc. The board of directors may appoint such other officers as the business of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the by-laws or as the board of directors may from time to time determine.

Section 3. Removal and Resignation. Any officer may be removed either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the board, or, except in case of an officer chosen by the board of directors, by an officer upon whom such power of removal may be conferred by the board of directors.

Any officer may resign at any time by giving written notice to the board of directors or to the President or the Secretary of the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the By-laws for regular appointments to such office.

Section 5. President. The President shall be the chief executive officer of the Association and shall, subject to the control of the board of directors, have general supervision, direction, and control of the business and officers of the Association. He shall preside at all meetings of the members. He shall be ex-officio, a member of any committee, including the executive committee, if any, and shall have the general powers and duties of management usually vested in the office of President of an Association, and shall have such other powers and duties as may be prescribed by the board of directors or the By-laws.

Section 6. Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all of the restrictions upon the President.

Section 7. Secretary. The Secretary shall keep accurate records of annual meetings, special meetings of members, and board of directors meetings and shall prepare correspondence and maintain an adequate file of correspondence of this Association. The Secretary shall also prepare written minutes of meetings of members and board of directors in accordance with these By-Laws.

Section 8. Treasurer. The Treasurer shall keep and maintain adequate and correct accounts of the properties and business transactions of the Association. The books of account shall at all times be open to inspection by any member.

The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Association with such depositaries as may be designated by the board of directors. He shall disburse the funds of the Association as may be ordered by the board of directors, shall render to the President and directors, whenever they request it, an account of all his transactions as Treasurer and of the financial condition of the Association, and shall have such other powers and perform such other duties as may be prescribed by the board of directors and the By-Laws.

ARTICLE VI MISCELLANEOUS

Section 1. Inspection of Corporate Records. The Membership Register or duplicate Membership Register, the books of account and minutes of proceedings of the members and directors shall be open to inspection to any member giving ten (10) days prior written notice and such documents shall be produced at any reasonable time when so required. Such inspection may be made in person or by an agent or attorney, and shall include the right to make extracts. Written demand of inspection shall be made in writing upon the President.

Section 2. Checks, Drafts, etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the board of directors.

Section 3. Annual Report. Any and all requirements for the submission to members of any financial statement or other reports referred to in the California Corporations Code are hereby expressly dispensed waived.

Section 4. Contract, etc., How Executed. The board of directors, except as in the By-Laws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instruments in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the board of directors, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 5. Inspection of By-Laws. The Secretary of the Association shall keep the original or a copy of the By-Laws as amended or otherwise altered to date. They shall be open to inspection by the members at all reasonable times.

Section 6. Conflict between CCRs and By-Laws. In accordance with Association CCR amendments adopted by the membership in 2023, the CCRs control in the event of any conflict between the provisions of the CCRs and the By-Laws.

ARTICLE VII AMENDMENTS

Section 1. Powers of the Members. Except as these By-Laws may elsewhere expressly require a higher vote, the By-Laws of this Association may be adopted, amended, or repealed at a regular or special meeting of members at which a quorum is present in person or by proxy by a majority of the membership entitled to vote; provided, however, that notice of such meeting shall specify the substance of any new By-Laws and identify the existing By-Law to be amended.

Section 2. Notwithstanding anything therein to the contrary, no amendment or repeal of any By-Law concerning any right or interest of the County of Contra Costa, including but not limited to the collection of taxes or other charges, or powers of enforcement shall be effective unless and until consented to in writing by the County of Contra Costa.

ARTICLE VIII INDEMNIFICATION

Section 1. No officer or director of the Association shall be liable or responsible for the debts or obligations of the Association or any other officer, director or agent of the Association.

Section 2. To the fullest extent permitted by law, the Association shall indemnify its directors, officers, employees, and agents, including persons formerly occupying any such position, against all claims, demands, expenses, judgments, fines, settlements, attorney

fees and other amounts actually and reasonably incurred by them in connection with any claim, demand, arbitration, lawsuit, action or other “proceeding” as that term is defined in California law (collectively “any Proceeding”), including an action by or in the right of the corporation, by reason of the fact that the person is or was an officer, director or agent of the Association.

Section 3. On written request to the board of directors by any person seeking indemnification, the board shall promptly determine whether the officer, director or agent may be indemnified under California law, and if so, the board shall authorize indemnification.

Section 4. To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance for good cause, all expenses incurred by a person seeking indemnification under these bylaws in defending any Proceeding shall be advanced by the Association before final disposition of the Proceeding, on receipt by the Association of a written undertaking, from, by or on behalf of that person that the person promises that such advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Association for those expenses. In the event that the Association does not have sufficient funds to provide such indemnification, or the directors determine in good faith that additional funds are needed to protect the interests of the Association or fulfill its indemnity obligations, the board of directors may authorize, impose and levy such dues and assessments on each homeowner membership and each lot owner membership as the board in good faith deems to be appropriate.

Section 5. The Association shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors and agents, against any liability asserted against or incurred by any officer, director, or agent in such capacity or arising out of the officer’s, director’s or agent’s status as such.