

BY-LAWS

TRACT NO. 7260 ASSOCIATION, INC. DBA: CENTURY GLEN

November 14, 2017

ARTICLE 1 - PRINCIPAL OFFICE

---

Section 1 - Principal Office:

The principal office for the transaction of the business of the corporation is as may be hereafter fixed and located by the Board of Directors in the City of Los Angeles, County of Los Angeles, State of California. The Board of Directors may at any time or from time to time change the location of the principal office from one location to another in said county.

ARTICLE II – MEMBERSHIP

Section 1 - Qualifications for Membership:

There shall be one class of Members of the corporation. Only those persons who own residential property within the geographical boundaries of Tract No. 7260 shall be eligible for membership. Those persons who are eligible for membership and who timely pay their regular dues in accordance with the provisions of this Article shall be deemed Members. All the owners of one property shall be eligible for a single indivisible membership in the corporation. A single owner of more than one property within the geographical boundaries of Tract No. 7260 is likewise eligible for a single membership. The Board may, at its discretion, add or remove Member classes and/or change eligibility requirements for new Member classes with a 2/3 vote of the Board of Directors.

Section 2 - Regular Dues:

To qualify for membership, each eligible person must pay, within the time and the conditions set by the Board, the regular dues in an amount to be fixed from time to time by the Board of Directors, and no Members shall be subject to or liable for the payment of any assessment or levy other than for the payment of regular dues. The regular dues assessed shall be equal for all Members in any Member class.

Section 3 - Voting Rights:

Each Member in good standing shall be entitled to cast one vote with respect to those matters submitted to the membership for action or approval. There shall be no voting by proxy at meetings of the Members. There shall be no voting by written ballot in the absence of a meeting of the Members. Consistent with Sections 1 and 2 of this Article, all the owners of one property who have timely paid their regular dues shall constitute one Member and shall have one vote. Consistent with Section 1 of this Article, a Member shall have one vote regardless of the number of properties owned within the geographical boundaries of Tract No. 7260 / Century Glen.

Section 4 - Termination of Membership:

Membership shall terminate in accordance with the procedure set forth in these Bylaws on occurrence of any of the following events:

(a) Resignation of the Member;

(b) The Member's failure to pay regular dues as set by the Board of Directors, within sixty (60) days after they are due and payable;

(c) Any event that renders the Member ineligible for membership, such as when the Member is no longer an owner of property within the Tract; or

(d) Termination of membership under Section 5 of this Article shall be based on the good faith determination by the Board of Directors, or a committee of persons authorized by the board to make such a determination, that the Member has failed in a material and serious degree to observe the rules of conduct of the corporation, or has engaged in conduct materially and seriously prejudicial to the corporation's purposes and interests.

Section 5 - Procedure for Termination of Membership:

If grounds appear to exist for terminating a Member under Section 4 of this Article, the following procedures shall be followed:

(a) The Board shall give the Member at least fifteen (15) days' prior notice of the proposed termination and the reasons for the proposed termination. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent first-class or registered mail to the Member's last address as shown on the corporation's records.

(b) The Member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed termination. The hearing shall be held, or the written statement considered, by the Board of Directors as to whether the termination should occur.

(c) The Board shall decide by a two-thirds vote of the Board Members present at a regular Board Meeting whether the Member should be terminated. The decision of the Board shall be final.

(d) Any action challenging a termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the termination.

Section 6 - Annual Meeting of Members:

Meetings of the Members shall be held the second Tuesday of April of each year or on such day as the Board of Directors may fix in the notice of such meeting, at the principal place of business of the corporation or at such other place as may be designated by the Board of Directors. Should the day herein fixed for regular meetings fall upon a legal holiday, then such meetings shall be held at the same time and place on the next day thereafter ensuing which is not a legal holiday, Saturday, or Sunday. The Directors of the corporation shall then be elected as described in Article III, Section 1, but if such meeting is not held or if Directors are not elected thereat, they may be elected at any special meeting of the Members held for that purpose. Special meetings of the Members for any purpose or purposes may be called at any time by the President or by a majority of the Directors.

Section 7 - Special Meetings:

Special meetings of the Members may be called for any lawful purpose or purposes by the Board, or the President, or by fifteen percent (15%) or more of the Members. A special meeting called by any person entitled to call a special meeting (other than the Board) shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the chairman of the Board, if any, or the President or Vice President or the Secretary of the corporation. The officer receiving the request shall cause notice to be given promptly to the Members entitled to vote under this Article, stating that a meeting will be held at a specified time and date fixed by the Board, provided, however, that the meeting date shall be at least thirty-five (35) but no more than ninety (90) days after receipt of the request. Meeting of Members may be held when the meeting is called by the Board. No

business other than that was set forth in the notice of the meeting may be transacted at a special meeting.

#### Section 8 - Notice of Meetings:

---

Whenever Members are required or permitted to take action at a meeting, a written notice of the meeting shall be given under Section 9 of these Bylaws, to each Member. The notice shall specify the place, date, and hour of the meeting. For the annual meeting, the notice shall state the matters that the Board at the time the notice is given intends to present for action by the Members. For a special meeting, the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted. The notice of any meeting at which Directors are to be elected shall include the names of all persons who are nominees when notice is given.

Approval by the Members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

- (a) Removing a Director without cause;
- (b) Filling vacancies on the Board;
- (c) Amending the Articles of Incorporation;
- (d) Electing to wind up or dissolve the corporation;
- (e) Approving a contract or transaction between the corporation and one or more Directors, or between the corporation and an entity in which a Director has a material financial interest; or
- (f) Approving a plan of distribution of assets, other than money, not in accordance with the liquidation rights of Members, as specified in the Articles of Incorporation or the Bylaws, when the corporation is in the process of winding down.

#### Section 9 - Manner of Giving Notice:

---

Notice of any meeting of Members shall be in writing and shall be given at least ten (10) but no more than ninety (90) days before the meeting date. The notice shall be given either personally or by first-class, registered or certified mail, or by other means of written communication (including e-mail), charges prepaid. If no address appears on the corporation's books and no address has been so given, notice shall be deemed to have been given if either (i) notice is sent to that Member by first class mail or facsimile or other written communication to the corporation's principal office or (ii) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located. An affidavit of the mailing of any notice of any Members' meeting, or of the giving of such notice by other means, may be executed by the secretary, or assistant secretary, or any transfer agent.

#### Section 10 – Quorum:

---

The presence in person of fifteen percent (15%) of the Members entitled to cast a vote at any meeting shall constitute a quorum for the transaction of business. If, however, the attendance at any general or annual meeting is less than one-third of the voting power, the Members may vote only on matters as to which notice of their general nature was given under Section 8 of this Article.

#### Section 11 - Voting at Meetings:

---

All Members shall have voting rights as herein above provided. Votes may be taken by voice, by show of hands, or by secret ballot, except that any election of Directors must be by ballot if demanded before the voting begins by any Member at the meeting. Members shall have no rights to accumulate their votes. If a quorum is present, the affirmative vote of a majority of the Members represented at the meeting shall be deemed an act of the Members, unless the vote of a greater number is required by the California Nonprofit Mutual Benefit Corporation Law.

#### Section 12 - Waiver of Notice of Consent:

---

The transactions of any meetings of Members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if: (a) a quorum is present either in person; and (2) either before or after the meeting, each Member entitled to vote, not present in person, signs a written waiver of notice, a consent to hold the meeting, or an approval of the minutes of the meeting. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of the meeting except that, if action is taken or proposed to be taken for approval of any matter specified in Section 8 of this Article, the waiver shall state the general nature of the proposal. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. A Member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting unless the Member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. However, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

#### Section 13 - Record Date:

---

The record date for determining Members entitled to receive notice of a meeting of Members shall be the next business day preceding the day on which notice is given, or if notice is waived, the next business day preceding the day on which the meeting is held. The record date for determining Members entitled to vote at the meeting shall be the day on which the meeting is held. The record date for determining members entitled to exercise any rights with respect to any other lawful action shall be the date on which the Board adopts the resolution relating to that action, or the 60th day before the date of that action, whichever is later.

#### Section 14 - Adjournment of Meetings:

---

Any Members' meeting, whether or not a quorum is present, may be adjourned from time to time by a vote of the majority of the Members represented at the meeting. No meeting may be adjourned for more than Ninety (90) days. When a Members' meeting is adjourned to another time and place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned is announced at the meeting at which adjournment is taken. The record date for notice or voting under Section 12 of this Article shall not be affected by a decision to adjourn a Members' meeting. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting.

#### Section 15 - Use of the Name of the Corporation:

---

No Member shall purport to represent the corporation in connection with any political endorsement without the written consent of the Board.

## ARTICLE III – DIRECTORS:

---

### Section 1 - Number, Qualification, and Election:

---

The authorized number of Directors of the corporation shall be five (5). Directors must be resident property owners. Directors shall be elected by the current Board Members. Beginning in 2018, Members shall serve a term of two (2) five (5) year terms. Vacancies may be filled by a two-thirds (2/3) vote of all the remaining Directors. The Board shall make every effort to promptly fill Board vacancies. Any Member may be elected by the Board to fill a vacancy, provided that Member has attended at least two consecutive Board meetings.

### Section 2 – Powers:

---

Subject to the limitations of the Articles of Incorporation, of the By-Laws, and of the California General Nonprofit Corporation Law 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 the authority of, and business and affairs of the corporation 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: First: To choose and remove all officers, agents, and employees of the corporation and to prescribe such powers and duties for officers, agents, and employees as may not be inconsistent with law, the Articles of Incorporation, or the By-Laws. Second: To conduct, manage, and control the affairs and business of the corporation and to make such rules and regulations therefore not inconsistent with law, the Articles of Incorporation, or the By-Laws, as they may deem best. Third: To designate any place within the City of Los Angeles for the holding of any membership meeting or meetings and to change the principal office of the corporation for the transaction of its business from one location to another in the County of Los Angeles, State of California. Fourth: To adopt, make, and use a corporate seal and to alter the form of such seal from time to time as in their judgment they may deem best, provided that such seal shall at all times comply with the provisions of law. Fifth: To borrow money and incur indebtedness for the purposes and operation of the corporation. Sixth: To manage in such manner as they may deem best all funds and property, both real and personal, received and acquired by the corporation, and to distribute, loan, or dispense the same and/or the income and profits therefrom.

### Section 3 - Place of Meeting:

---

Regular meetings of the Board of Directors shall be held at any place within or without the City of Los Angeles which has been designated from time to time by resolution of the Board of Directors. In the absence of such designation, regular meetings shall be held at the principal office of the corporation. As set forth in Section 6 of this Article, special meetings of the Board of Directors shall be held either at a place so designated or at the principal office.

### Section 4 - Meetings by Telephone or Other Telecommunications Equipment:

---

Any Board meeting may be held by telephone conference, video screen communication, or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting provided both of the following apply: (a) Each Member participating in the meeting can communicate concurrently with all other Members; and (2) Each Member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

### Section 5 - Regular Meetings:

---

Regular meetings of the Board of Directors may be held without notice at such time and place as may be fixed by the Board. Any Member may attend as a non-voting guest, upon approval by the President, which approval shall not be unreasonably withheld.

#### Section 6 - Special Meetings:

---

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President, the Vice President, the Secretary or by any three (5) Directors. Such meetings may be held at any place designated from time to time by resolution of the Board of Directors or by written consent of any three (5) Directors, or at the principal office of the corporation. Notice of the place, date, time, and purpose or purposes of special meetings shall be given to all Directors as set forth in Section 7 of this Article.

#### Section 7 - Organization Meeting:

---

Following each Annual Meeting of Members, the Board of Directors shall hold a regular meeting for the purposes of organization, choosing officers, appointing standing committees and their Chairs, and transacting other business.

#### Section 8 - Attendance at Meetings:

---

If a Director, without being excused by the President, shall fail to attend three (3) meetings during a single term of office of the Board of Directors, that Director's seat may be declared vacant by a vote of two-thirds (2/3) of all the remaining Directors.

#### Section 9 – Quorum:

---

A majority of the serving Directors shall be necessary to constitute a quorum for the transaction of business except adjournment. However, in no event shall the number of Directors necessary to constitute a quorum be fewer than three (3) Directors. An affirmative vote of a majority of the Directors present at any meeting shall be required for the passage of all motions, except as otherwise stated in these Bylaws or in the California Nonprofit Mutual Benefit Law, including, without limitation, the provisions on: (a) approval of contracts or transactions between the corporation and one or more of the Directors or between this corporation and an entity in which a Director has a material financial interest; (b) creation of and appointments to committees of the Board; and (3) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business despite the withdrawal of some Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

#### Section 10 - Nomination of Directors:

---

At least four (4) weeks prior to the Annual Meeting of Members, the Board of Directors shall elect a Nominating Chair, who will appoint a committee of a minimum of three (3) Directors, to present to the Annual Meeting a list containing the names of individuals for election as Directors for the ensuing year, which list may include any Directors or Officers then or theretofore holding office. In case the Board of Directors fails for any reason to elect such a Chair within the time specified, then it shall be the duty of the President to appoint such a Chair and committee. Nominations will also be accepted by the Nominating committee from the General Membership so long as such nominations are submitted at least fourteen (14) days prior to the Annual Meeting.

#### Section 11 - Proxy Vote:

---

Proxy votes may be accepted when submitted in writing by an absent Director designating another Director to vote for him/her or stipulating how his/her vote is to be cast, provided that two-thirds (2/3) of the Directors present vote to accept all proxies offered for that meeting. After the minutes are read, a vote will be taken to see if proxy votes will be accepted. The President may cast only one vote and may not hold a proxy.

## ARTICLE IV – OFFICERS:

### Section 1 – Responsibility:

---

All officers are subordinate and responsible to the Board of Directors.

### Section 2 - Number and Selection:

---

The officers of the corporation shall be a President, a Vice-President, a Secretary, and a Treasurer. The corporation may also have such other officers as may be appointed in accordance with the provisions of this section. Any number of offices may be held by the same person except that the President shall not also serve as the Treasurer. The officers of the corporation shall be chosen annually by and from the Board of Directors, by a majority vote of the Directors present at the Organization Meeting. Each above named Officer shall serve until the next Organization Meeting, provided that any Officer may be chosen for a successive term. The Board of Directors may appoint such other officers as the business of the corporation may require, each of whom shall hold office for such period and 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 - Duties of the President:

---

The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have supervision, direction, and control of the business and affairs of the corporation. The President shall preside at all meetings of the Board of Directors and of the Members and shall be ex officio a member of all the standing committees. The President shall have the general powers, duties, and management usually vested in the office of the president of a corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or the By-Laws.

### Section 4 - Duties of the Vice-President:

---

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

### Section 5 - Duties of the Secretary:

---

The Secretary shall keep, or cause to be kept, at the principal office of the corporation, or such other place as the Board of Directors may order, a book of minutes of all meetings, proceedings, and actions of the Board of Directors and of the Members. The minutes of the meetings shall include the time and place that the meeting was held, whether the meeting was a special meeting, and if the meeting was a special meeting, how it was authorized and how notice was given, the names of persons present at all Board meetings and the number of Members present at all Member meetings. The Secretary shall also keep, or cause to be kept, at the principal office of the corporation, a copy of the Articles of Incorporation and Bylaws, as amended to date. The Secretary shall also keep, or cause to be kept, at the principal office of the corporation a membership book containing the name and address of each Member, and in any case where membership has been terminated, such fact shall be recorded in the book together with the date upon which the membership ceased. However, if the Secretary should see fit, the Secretary may give to the Membership Chair, the responsibility of keeping and maintaining the membership book. The Secretary shall give, or cause to be given, the notices of special meetings of the Board of Directors and of the regular and special meetings of the Members as provided in these Bylaws. The Secretary shall perform such other and further duties as may be required by law or as may be prescribed or required from time to time by the Board of Directors or the Bylaws.

#### Section 6 - Duties of the Treasurer:

---

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and the business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses. The books of account shall at all times be open to inspection by any Member of the corporation. However, if any moneys in the treasury were secured as the result of a confidentiality agreement, a member who wishes to examine the association's books must sign a statement pledging to abide by the confidentiality agreement. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as ordered by the Board of Directors and shall render to the President or to the Directors, upon request, an account of all transactions as Treasurer, and of the financial condition of the corporation. The Treasurer shall perform such other and further duties as may be required by law or as may be prescribed or required from time to time by the Board of Directors or the Bylaws.

#### Section 7 - Removal and Resignation of Officers:

---

Officers may be removed, with or without cause, at any meeting of the Board of Directors by the affirmative vote of two-thirds of the serving Directors.

#### Section 8 - Disbursement of Funds:

---

Funds shall be disbursed by the corporation only if the check, draft, or other evidence of such disbursement shall be executed on behalf of the corporation by either the President or the Treasurer or, if above three hundred dollars (\$300.00), by two (2) officers, one of whom shall be the President or the Treasurer. No Director of this Corporation nor any other corporation, firm, or association, or other entity in which one or more of the corporation's Directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this corporation, unless: (a) the material facts as to the transaction and such Director's interest are fully disclosed or known to the Members and such contract or transaction is approved by the Members in good faith, with any membership owned by any interested Directors not being entitled to vote thereon; or (b) the material facts regarding such Director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes or are known to all Board members before consideration by the Board of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the vote of the interested Director. Interested Directors may be counted, however, in determining the presence of quorum at a meeting of the Board to authorize, approve, or ratify a contract or transaction as provided in this Section.

#### Section 9 - Loans to Directors and Officers :

---

This corporation shall not lend any money or property to, or guarantee the obligation of, any Director or Officer of the corporation unless: (a) the Board decides that the loan or guaranty may reasonably be expected to benefit the corporation; and (b) before consummating the transaction or any part thereof, the loan or guaranty is approved by either the members, without counting the vote of the Director or Officer, or the vote of a majority of the Directors then in office, without counting the vote of the Director who is to receive the loan or guaranty. Notwithstanding anything in this Section, the corporation may advance money to a Director or Officer of the corporation for any expenses reasonably anticipated to be incurred in the performance of the duties of the Director or Officer of the corporation provided that, in the absence of such an advance, the Director or Officer would be entitled to be reimbursed for these expenses by the Corporation.



ARTICLE V - PERSONAL LIABILITY AND PROPERTY INTEREST:

---

Section 1 - Liability of Members:

---

No Member of the corporation shall be personally liable to the corporation's creditors or for any indebtedness or liability, and any and all creditors shall look only to its assets for payment.

Section 2 - Property Interest upon Termination of Membership:

---

If any Member shall cease to be such, any interest the Member shall have in and to the property, assets, and privileges of the corporation shall cease and revert to the corporation, and such cessation of membership shall operate as a release and assignment to the corporation of all the right, title, and interest of such Member in and to the property, assets, and privileges of the corporation, provided, however, that any cessation of membership shall not affect any indebtedness of the corporation to such Member.

ARTICLE VI - AMENDMENTS TO BY-LAWS:

---

Section 1 – Adoption:

---

A vote by two-thirds (2/3) of the authorized number of Directors may amend or repeal these By-Laws or adopt new By-Laws.

ARTICLE VII - RULES OF ORDER:

---

Section 1 - Rules of Order:

---

Robert's Rules of Order shall govern all meetings of the Membership and of the Board of Directors.