

BY-LAWS  
OF  
DOGWOOD MOUNTAIN ASSOCIATION  
a California Nonprofit Corporation

ARTICLE I  
IDENTIFICATION

Section 1. Name The name of this corporation is DOGWOOD MOUNTAIN ASSOCIATION.

Section 2. Principal Office The principal office of the Association shall be in Fresno County, California, at such specific location therein as may from time to time be designated by the Board of Directors.

Section 3. Seal The seal of the Association shall be in the form of two (2) concentric circles with the words, "DOGWOOD MOUNTAIN ASSOCIATION" appearing between said circles in the upper periphery, the word "CALIFORNIA" appearing in the lower periphery and the date of incorporation appearing in the center thereof. When the affixing of the seal to any instrument is appropriate, the same may be done by means of a metal die causing an impression of said seal or by an imprint of the words and figures of the seal in the same form thereof.

Section 4. Fiscal Year The fiscal year of the Association shall be that selected by the Board of Directors.

ARTICLE II  
DEFINITIONS

As used in these By-Laws, the following definitions shall apply:

"Association" shall mean the Dogwood Mountain Association, a California nonprofit corporation, or its successor, an owners' association as defined in Section 11,003.1 of the California Business and Professions Code.

"Board" shall mean the Board of Directors of the Association.

"By-Laws" shall mean these By-Laws as they may be amended from time to time.

"County" shall mean Fresno County, California.

"Developer" shall mean TIMBERWINE, a California corporation, or its successors and assigns.

"Director" shall mean a member of the Board.

"Lot" shall mean any subdivided parcel shown upon the Map.

"Map" shall mean that certain map entitled "Map of Tract No. 2294, Shaver Falls" consisting of six (6) sheets marked, respectively, "Sheet 1 of 6" through "Sheet 6 of 6" which map was recorded on July 19, 1972 in Volume 27 of Plats on Pages 9 through 14, inclusive, in the County records.

"Member" shall mean any member of the Association.

"Restrictions" or "Declaration of Restrictions" shall mean the limitations, restrictions, covenants, terms and conditions and equitable servitudes as set forth in such Restrictions as are recorded for the Subdivision as same may from time to time be amended supplemented and modified.

"Roads" shall mean any vehicular way, whether public or private, designated on the Map or in the Restrictions, including exhibits thereto.

"Rules" shall mean the Rules and Regulations governing the use of Roads and conduct of Members and guests while at the Subdivision, as adopted from time to time by the Board.

"Subdivision" shall mean Tract 2294, Fresno County, as shown on the Map or any other legal subdivision created by the filing of a final subdivision map pursuant to the provisions of Title 7, Division 2 of the Government Code of the State of California or subsequent laws of similar effect.

### ARTICLE III

#### PURPOSE AND POWERS

Section 1. Purposes The purposes for which this corporation is formed are:

(a) The specific and primary purposes are:

(1) To manage, maintain, operate, protect, preserve, improve, own, lease and/or regulate the use of Roads and other easement areas and any commonly-owned equipment or personal property within the Subdivision.

(2) To enforce all of the provisions of any recorded Declaration of Restrictions relative to any Lots.

(3) To levy and collect assessments from its Members for funds to cover its costs of operation.



(b) The general purposes and powers are:

(1) To enter into, make, perform and carry out contracts of every kind for any lawful purpose without limit as to amounts with any person, firm, association, corporation, municipality, county, state or other municipal governmental subdivision.

(2) Subject to the provisions of Article VI of the Articles of Incorporation, to acquire, hold, own, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of, real or personal property in connection with the affairs of the Association.

(3) To promote the health, safety and welfare of the Owners.

(4) To have and exercise all of the powers conferred by General Nonprofit Corporation Law of the State of California upon nonprofit corporations as such law is now in effect or as may from time to time be amended.

Section 2. Powers The Association shall do whatever is necessary, conducive, incidental or advisable to accomplish and promote its objectives and purposes, except carrying on a business or trade for profit, and in connection therewith shall have, but shall not be limited to, the following powers:

(a) To acquire real or personal property by gift, purchase or other means;

(b) To own, hold, enjoy, lease, operate, maintain, convey, sell, assign, transfer, mortgage or otherwise encumber, or dedicate for public use any real or personal property owned by it;

(c) To exercise the powers and functions granted to it in the Restrictions;

(d) To care for vacant, unimproved or ill-kept Lots;

(e) To maintain (including removal of snow therefrom) rebuild, repair, beautify and otherwise care for all Roads not subject to maintenance by individual Owners as provided in the Restrictions or by governmental authority.

(f) To pay taxes and assessments, if any, levied by any governmental authority;

(g) To enforce charges, easements, restrictions, covenants, conditions, and agreements existing upon or created for the benefit of the Lots;

(h) To appoint such committees as may be necessary to, or convenient in, the discharge of any of its obligations or powers;

(i) To levy annual assessments upon the Members and to declare the same a lien against the property subject thereto in accordance with the Restrictions;

(j) To prescribe and enforce motor vehicle speed limits within the Subdivision;

(k) To sue to collect any charges not paid, and in connection therewith to foreclose any lien granted to it;

(l) To borrow money, contract debts, and issue bonds, notes and debentures, and secure the payment or performance of its obligations;

(m) To expend its moneys for the payment and discharge of all proper costs, expenses and obligations incurred in carrying out all or any of these powers in furtherance of its purposes and objectives;

(n) To contract and pay premiums for fire, casualty, liability and other insurance, including indemnity and other bonds;

(o) To contract and pay for maintenance, gardening, utilities, materials, supplies and services relating to property or facilities owned or operated by it, and to employ personnel reasonably necessary for the administration of its affairs including legal counsel and accountants; and

(p) To do all other acts necessary or expedient for the administration of its affairs and the attainment of its purposes.

#### ARTICLE IV

##### MEMBERSHIP

Section 1. Membership The following persons shall be Members of the Association:

(a) Each Owner; and

(b) Developer, which shall hold memberships equal to the number of Lots owned by it.

Section 2. Multiple Ownership If more than one individual, or an entity other than an individual (other than Developer) owns a Lot giving rise to the appurtenant membership, said persons shall be deemed to collectively own one (1) membership and the membership shall be held in the name of one (1) designated individual.

Section 3. Privileges Members and their guest shall be entitled to use the Roads and any commonly-owned facilities in the Subdivision subject to the provisions of the Restrictions, and to such other Rules as may be adopted from time to time by the Board.



## ARTICLE V

### MEMBERSHIP VOTING

Section 1. Classes of Membership The Association shall have two (2) classes of voting memberships: Class A - all Owners other than the Developer, and Class B - the Developer as to all Lots owned by it.

Section 2. Voting Rights At any meeting of the Members called and held pursuant to the provisions of these By-Laws, each Member shall be entitled to vote as follows:

(a) Class A Members: One (1) vote for each Lot owned.

(b) Class B Member (Developer): Voting shall be the same as for Class A memberships, except that Class B memberships may triple votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes (tripled as stated above) outstanding in the Class B membership, i.e. when 75% of the Lots have been sold and are held by Owners other than Developer, or upon expiration of three (3) years from the close of the first sale of a Lot, whichever shall first occur.

Section 3. Multiple Ownership When two or more persons constitute a Member, any proxy with respect to the vote of such Member shall be signed by all such persons or their agent designated on the books of the Association. All such persons may attend meetings, but no vote of such Member shall be cast without the unanimous consent of all persons present at such meeting constituting such Member unless cast by their designated agent.

Section 4. Action Without a Meeting Any matter or issue requiring the vote of the Members, other than the election of Directors, may be submitted for vote by written ballot without a meeting of the Members. The determination to conduct an election in this fashion shall be made by a majority of the Board or by Members having ten percent (10%) of the total votes of the membership signing a written request and delivering same to the Secretary. In the event of such an election, the Board shall give written notice thereof, specifying the time and place where the ballots are to be cast, and the question or questions to be voted upon. Said notice shall be mailed to the Members not less than ten nor more than sixty days prior to the date that the ballots are to be received to be counted, and shall include the form of ballot to be used. The conduct of the election shall be in accordance with procedures prescribed by counsel or the accountants for the Association who shall also be retained to supervise the secrecy and control of the election, if deemed necessary by the Board, or if requested by the Members requesting the election. A quorum shall be deemed to have been present for purposes of the election if Members having a majority of the total votes cast ballots in any such election. Upon tabulation of the ballots, the Board shall notify the Members of the outcome of the election. If insufficient votes to constitute a quorum are cast, the Board shall so notify the Members.



## ARTICLE VI

### EVIDENCE OF MEMBERSHIP AND TRANSFER

Section 1. Membership Register A Membership Register shall be maintained in which shall be shown the name and address of the Member, a sufficient description of the Lot giving rise to such membership, and the date of acquisition of beneficial interest in said Lot. The Association may issue cards to Members from time to time as the Board may deem necessary to assure proper control and identification.

Section 2. Issuance Members shall be entitled to exercise all of the rights and privileges of membership, and they shall be subject to all of the obligations and liabilities thereof; provided, however, that the Association shall incur no liability for failure to give adequate notice to Members not of record.

Section 3. Transfer A membership is transferable only upon the conveyance of the Lot giving rise to such membership. Any other attempted transfer or assignment of such membership shall be null and void. Transfers of record which occur by reason of the conveyance of any Lot, except conveyances from the Developer, shall be subject to a fee of \$25.00 and to the payment of all indebtedness to the Association of the Member whose membership is transferred.

## ARTICLE VII

### MEETINGS OF MEMBERS

Section 1. Place of Meetings Any meeting of the Members shall be held at the Subdivision or as close thereto as possible, at such particular place as is stated in the notice for such meeting.

Section 2. Annual Meeting The annual meeting of the Members for the election of Directors whose terms have expired and for the transaction of such other business as may properly come before the meeting, shall be held at such hour and on such day during the months of May or June of each year, as is designated by the Board in the notice thereof.

Written notice of each annual meeting shall be given to each Member entitled to vote thereat, either by personal delivery, by mail or other means of written communication, charges prepaid, addressed to such Member at his record address appearing on the books of the Association. All such notices shall be sent to each Member entitled thereto no less than ten (10) and not more than sixty (60) days before each annual meeting, and shall specify the place, the date and the hour of such meeting, and shall also state the general nature of the business or proposal to be considered or acted upon at such meeting.



Section 3. Special Meetings Special meetings of the Members for any purpose or purposes whatsoever may be called at any time by the President, or by a majority of the Board, or by one or more Members holding not less than forty percent (40%) of the voting power of the Association. 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, the place, date and hour of such meeting, and the general nature of the business to be transacted, and shall be given at least ten(10) days before the meeting is to be held.

Section 4. Adjourned Meetings and Notice Thereof Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the voting power present in person or by proxy, but in the absence of a quorum no other business may be transacted at any such meeting.

When any Members' meeting, either annual or special, is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken.

Section 5. Quorum The presence in person or by proxy of the holders of forty percent (40%) of the memberships entitled to vote at any meeting shall constitute a quorum for the transaction of business. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

If any meeting, annual or special, cannot be held for lack of a quorum, the same may be adjourned, as hereinabove provided, for a period of not less than ninety-six (96) hours nor more than thirty (30) days from the time the original meeting was called, at which adjourned meeting the quorum requirement shall be reduced to the presence in person or by proxy of not less than twenty-five percent (25%) of the voting power of the Association.

Section 6. Voting Except as otherwise provided by law, only Members in whose names memberships entitled to vote stand on the records of the Association on the record date for voting purposes, fixed as provided in ARTICLE XI, Section 1, of these By-Laws, and Developer (except as otherwise specifically excluded), shall be entitled to vote at any meeting. Such vote may be viva voce or by ballot, provided however, that an election for directors must be by ballot upon demand of a Member at any election before the voting begins.

Every Member entitled to vote at any election for Directors shall have the right to cumulate his votes and give one (1) candidate a number of votes equal to the number of Directors to be elected multiplied by the number of votes to which he is entitled, or to distribute his votes on the same principle among as many candidates as he thinks fit. The candidates receiving the highest number of votes, up to the number of Directors to be elected, shall be elected. Provided, however, that there shall always be one Director on the Board elected solely by the Members other than Developer. Therefore in any election where the Class A Members do not have a sufficient percentage of the voting power of the Association to elect at least one Director by cumulating their votes, then the candidate receiving the highest number of Class A Membership votes shall nevertheless be elected to the Board.

Section 7. Action Without Meeting Any action, except as otherwise provided by law, which, under the applicable provisions of law, may be taken at a meeting of the Members, may be taken without a meeting if authorized in writing by all of the Members who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Association.

Section 8. Proxies Every Member 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 Member 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 person executing it specifies therein the length of time for which such proxy is to continue in force, which in no event shall exceed seven (7) years from the date of its execution.

## ARTICLE VIII

### DIRECTORS

Section 1. Powers Subject to any limitations of the Articles of Incorporation, of these By-Laws, and of the General Nonprofit Corporation Law of California, and subject to the duties of directors as prescribed by these By-Laws, all corporate powers of the Association shall be exercised by or under the authority of, and the business and affairs of the Association shall be controlled by, the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Directors shall have the following powers:

(a) To select and remove all officers, agents and employees of the Association and prescribe such powers and duties for them as may not be inconsistent with law, with the Articles of Incorporation or these By-Laws;



(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 these 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 within the County; to designate the place for the holding of any Members' meeting or meetings at the Subdivision or as close thereto as possible; and to adopt, make and use a corporate seal, and to prescribe the forms of membership certificates and/or membership identification cards, from time to time, as in their judgment they may deem best;

(d) To take such steps as may be necessary to implement any of the powers of the Association as provided in ARTICLE III, Section 2, hereof; and

(e) To appoint an Environmental and Architectural Control Committee, after expiration of such power in the Developer under the Restrictions encumbering the Subdivision, and other committees, and to delegate to any such committee such powers as are necessary to enable any such committee to fulfill its designated purpose.

Section 2. Number and Qualification The authorized number of Directors shall be three (3) until changed by an amendment of the Articles of Incorporation or by a By-Law amending this Section 2 duly adopted by the Members. Directors shall not be required to be Members.

Section 3. Election and Term of Office The first Directors shall be those individuals named in the Articles of Incorporation or their successors determined pursuant to Section 4 of this ARTICLE VIII. Within six (6) months of the close of the first sale of a Lot there shall be a special meeting of the Members for the election of the Board. Thereafter the Directors shall be elected annually at the annual meetings of the Members to represent the interests of the Members on the Board. If for any reason any such annual meeting is not held, or the Directors are not elected thereat, the Directors may be elected at any special meeting of Members held for that purpose. All Directors shall hold office until their respective successors are elected. Term of office shall be for one (1) year.

Section 4. Vacancies Vacancies in the Board may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, and each Director so elected shall hold office until his successor is elected at an annual or a special meeting of the Members.

A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation or removal of any Director, or if the authorized number of Directors be increased, or if the Members fail, at any annual or special meeting of Members at which any Director or Directors are elected, to elect the full authorized number of Directors to be voted for at that meeting, or if a vacancy is declared by the Board for any reason permitted by law.



As hereinabove provided, Members may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors. If the Board accepts the resignation of a Director tendered to take effect at a future time, the Board or the Members shall have power to elect a successor, pursuant to the provisions hereof, to take office when the resignation is to become effective.

No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of his term of office.

Section 5. Regular Meetings Immediately following each annual meeting of Members, the Board shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Call and notice of such meetings are hereby dispensed with.

Section 6. Special Meetings Special meetings of the Board for any purpose or purposes may be held at any time upon call by the President or, if he is absent or unable or refuses to act, by any Vice President or by any two (2) Directors. Such meetings may be held at any place designated from time to time by resolution of the Board or by written consent of all Directors.

Written notice of the time and place of special meetings shall be delivered personally to each Director or sent to each Director by mail or other form of written communication, charges prepaid, addressed to him at his address as it is shown upon the records of the corporation. In case such notice is mailed or telegraphed, it shall be deposited in the United States mail or delivered to the telegraph company in the place in which the principal office of the corporation is located at least ninety-six (96) hours prior to the time of the holding of the meeting. Such mailing, telegraphing or delivery as above provided shall constitute due, legal and personal notice to such Director.

Section 7. Consent of Absentees The transactions of any meeting of the Board, 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 a written waiver of notice, a consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

Section 8. Quorum A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board unless a greater number be required by law or by the Articles of Incorporation.



Section 9. Adjournment and Notice A quorum of the Directors may adjourn any Directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum a majority of the Directors present at any Board meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned.

## ARTICLE IX

### OFFICERS

Section 1. General The officers of the Association shall be a President, one (1) or more Vice Presidents, a Secretary and a Treasurer, and each of them shall be elected by the Board. The Association may also have such other officers, including one (1) or more Assistant Secretaries, as may be appointed by the Board. Officers, other than the President, need not be Directors. One person may hold two (2) or more offices, except President and Secretary may not be the same person.

Each officer shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or his successor shall be elected and qualified; provided that officers may be appointed at any time by the Board for the purpose of initially filling an office or filling a newly created or vacant office.

Section 2. Removal and Resignation Any officer may be removed, either with or without cause, by a majority of the Directors in office at the time, at any regular or special meeting of the Board.

Any officer may resign at any time by giving written notice to the Board 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 3. Vacancies A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these By-Laws for regular appointments to such office.

Section 4. President The President, who shall be chosen from the Board, shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction and control of the business and officers of the Association. He shall preside at all meetings of the members and of the Board. He shall be an ex officio member of all the standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and such other powers and duties as may be prescribed by the Board or these By-Laws.

Section 5. Vice Presidents In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board, shall perform all the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents shall have such other powers and perform such other duties as may be prescribed for them respectively by the Board, the President or these By-Laws.

Section 6. Secretary The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of the Board and of Members, or a duplicate thereof, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, the names of those present at Board meetings, the number of memberships present or represented at Members' meetings, and the proceedings thereof.

The Secretary shall keep or cause to be kept, in any form permitted by law, at the principal office or such other place as the Board may order, a membership register, or a duplicate thereof, showing the names of the Members and their addresses, the description and number of Lots, if more than one, upon which such membership is based, the number and date of membership certificates issued, and the number and date of cancellation of membership certificates surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the Members and of the Board required by these By-Laws or by-law to be given, and shall keep the seal of the Association in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board, the President or these By-Laws.

Section 7. Treasurer The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct amounts of the properties and business transactions of the Association, including accounts of its assets, liabilities, receipts, disbursements, gains or losses. The books of account shall at all times be open to inspection by any Directors.

The Treasurer shall deposit all moneys and other valuables in the name of and to the credit of the Association with such depositaries as may be designated by the Board. He shall disburse the funds of the Association as may be ordered by the Board, shall render to the President and Directors, whenever they request it, an account of all of 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, the President or these By-Laws.



ASSESSMENTS

Section 1. General The Association shall have the power to levy uniform annual and special assessments as herein set forth. All assessments shall be prepaid annually or paid to the Association in installments on the first day of each month, commencing the first month after record title vests in an Owner. Each assessment shall be a debt of the Owner of the Lot against which such assessment is levied. Assessments shall be levied against each Lot in an equal amount.

Section 2. Annual Assessment Each year the Board shall consider the current and future needs of the Association as to the operation and maintenance of the Roads, including reasonable reserves for capital improvements and replacements, and, in light of such needs, fix by resolution the amount of annual assessment to be levied against each Lot. Such annual assessment shall be not less than One Hundred Dollars (\$100.00) nor more than One Thousand Two Hundred Dollars (\$1,200.00) per lot.

Section 3. Special Assessments Special assessments may be levied by the Board upon the affirmative vote of sixty percent (60%) of the Members (excluding the Developer) that such assessments are necessary for capital improvements to the Roads for which no reserves have been established or for deficiencies in such reserves, or for any purposes related to the mutual health, safety and welfare of the Members. No special assessment shall be levied without a hearing, for which at least twenty (20) days' written notice shall be given to all Members.

Section 4. Notice The Secretary shall mail to each Member, at such Member's record address, written notice of each annual or special assessment and the time and manner for payment thereof at least two (2) weeks prior to the time such assessment shall become due and payable.

Section 5. Suspension of Membership Rights The Association shall not be required to transfer a membership on its books, or to allow the exercise of any rights or privileges of membership on account thereof, by any Member or any person claiming under him, unless and until all assessments and charges to which such membership is subject are paid.

Section 6. Lien The amount of any Assessment plus any other charges due, including interest of 10% per annum from date of delinquency, and costs of collection, including reasonable attorneys' fees, if any, shall constitute and become a lien on the Lot assessed when the Board causes to be recorded with the County Recorder a notice of assessment which shall state the amount of such assessment and such other charges, a description of the real property which has been assessed, and the name of the record owner thereof. Such notice shall be signed by the Secretary, or an Assistant Secretary, of the Association on behalf of the Association. Upon payment of said assessment and charges in connection with which such notice has been so recorded, or other satisfaction thereof, the Board shall cause to be recorded a further notice stating the satisfaction and the release of the lien thereof.

Section 7. Priority of Lien Such lien shall be prior to all other liens recorded subsequent to said notice of assessment except as provided in the Restrictions.

Section 8. Enforcement The lien provided for herein may be foreclosed by suit by the Association in like manner as a trust deed. The Association may also pursue any other lawful remedy for the collection of debt against any Member owing assessments to it.

## ARTICLE XI MISCELLANEOUS

Section 1. Record Date The Board may fix a time in the future as a record date for the determination of the Members entitled to notice of and to vote at any meeting of Members. The record date so fixed shall be not more than thirty (30) days prior to the date of the meeting. When a record date is so fixed, only Members of record on that date shall be entitled to notice of and to vote at the meeting, notwithstanding any transfer of membership indicated on the books of the Association after the record date.

Section 2. Inspection of Records The membership register or duplicate membership register, the books of account and minutes of proceedings of the Members, the Board and the Executive Committee, if any, shall be open to inspection upon the written demand of any Member at any reasonable time and for a purpose reasonably related to his interests as a Member.

Section 3. Checks and Drafts 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.

Section 4. Accountings The Association shall cause to be prepared and distributed to the Members the following, within sixty (60) days of the accounting dates indicated:

(a) a balance sheet as of the last day of the month in which the first meeting of the Members is held, as provided in ARTICLE VIII, Section 3 of these By-Laws; and an operating statement for the period from the date of the close of the first sale of a Lot to the last day of the month in which the first meeting of the Members is held; and

(b) thereafter, a balance sheet as of the last day of the Association's fiscal year and an operating statement for that fiscal year. The operating statement for the period described in (a) above shall include a schedule of assessments received or receivable itemized by Lot and by the name of the person or entity assessed.



Section 5. Execution of Contracts The Board, except as may be otherwise provided in these By-Laws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument or document in the name of and on behalf of the Association, and such authority may be general or confined to specific instances. Unless otherwise required by law, formal contracts, promissory notes and other evidences of indebtedness, deeds of trust, mortgages and other corporate instruments or documents requiring the corporate seal, shall be executed, signed or endorsed by the President (or any Vice President) and by the Secretary (or any Assistant Secretary) or the Treasurer.

Section 6. Limitation of Powers No contract shall be entered into with the Developer which binds the Association for a period in excess of one (1) year without reasonable cancellation provisions included therein.

No contract for services shall bind the Association for a period in excess of one (1) year without the approval of a majority of the Members.

The Association shall not incur debt in excess of Two Thousand Dollars (\$2,000.00) per year for the purchase of real or personal property, the issuance of bonds or debentures, or the mortgage of any of its property without the prior vote or written consent of two-thirds (2/3) of its Members entitled to vote, excluding the vote of the Developer.

Section 7. Inspection of By-Laws The Association shall keep in its principal office for the transaction of business the original or a copy of the By-Laws as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the Members at all reasonable times.

Section 8. Dissolution Upon dissolution and winding up of the Association, the Board shall, after payment or making provision for the payment of all liabilities of the Association, distribute all of the remaining assets to a nonprofit organization, association or corporation operated exclusively for the same purposes as this corporation and which has established its tax-exempt status under Section 501(c) of the U. S. Internal Revenue Code and Section 23701 of the California Revenue and Taxation Code, or subsequent laws of similar effect.

## ARTICLE XII

### AMENDMENTS

New By-Laws may be adopted, or these By-Laws may be amended or repealed, by the vote or written consent of Members entitled to exercise a majority of the voting power of the Association.



CERTIFICATION

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of DOGWOOD MOUNTAIN ASSOCIATION, a California nonprofit corporation.

2. That the foregoing By-Laws, comprising fifteen (15) pages, excluding this page, constitute the By-Laws of said corporation as duly adopted at a meeting of the Board of Directors thereof duly held on the 29<sup>th</sup> day of June, 1977.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this 29<sup>th</sup> day of June, 1977.

*Charles R. Hayes*

CHARLES R. HAYES Secretary

STATE OF CALIFORNIA     )  
                                      ) ss.  
COUNTY OF FRESNO     )

On this 29<sup>th</sup> day of June, in the year one thousand nine hundred and seventy-seven, before me, PEGGY J. CHENEY, a Notary Public, State of California, duly commissioned and sworn, personally appeared CHARLES R. HAYES, known to me to be the Secretary of the corporation described in and that executed the within instrument, and also known to me to be the person who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same pursuant to a resolution of its Board of Directors.

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

*Peggy J. Cheney*

Notary Public, State of California

My Commission Expires May 26, 1980

