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MAURINE I. DOBBAS
COUNTY RECORDER

#24411

BY-LAWS OF
UNIT 4 CONDOMINIUM PROJECT ASSOCIATION

ARTICLE I
DEFINITIONS

Section 1. "Declaration" shall mean that certain Declaration Establishing a Plan of Condominium Ownership executed by TRIMONT LAND COMPANY, on January 31, 1974, and recorded on February 15, 1974, in the Office of the Recorder of the County of Placer in Book 1549 at page 464.

Section 2. All other terms shall have the meanings given them in the Declaration unless expressly otherwise provided herein.

ARTICLE II
MEMBERSHIP

Section 1. Membership. Qualifications for membership and the incidents thereof are set forth in Paragraph 3 of the Declaration which is incorporated herein by reference thereto.

Section 2. Voting Rights. Voting rights of members and Declarant are set forth in Paragraph 3 of the Declaration which is incorporated herein by reference thereto.

Section 3. Suspension of Membership. During any period in which a member shall be in default in the payment of any annual or special assessment levied by the Project Committee, the voting rights of such member may be suspended by the Committee until such assessment has been paid. Such

rights of a member may also be suspended, after notice and hearing, for a period of not to exceed thirty (30) days, for violation of any rules and regulations established by the Committee, including, but without limitation, rules governing the use of the Project Common Area.

ARTICLE III

PROJECT COMMITTEE: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Committee of five (5) Project Owners or duly authorized officers of corporate or partnership Project Owners.

Section 2. Election. At the first annual meeting and at each meeting thereafter the members shall elect five (5) directors for a term of one (1) year. Election to the Committee shall be by secret written ballot. The members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and these By-Laws. The five candidates receiving the largest number of votes shall be elected. All such elections shall be by cumulative voting. Each member shall have the right to give one 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 distribute his votes on the same principle among as many candidates as he thinks fit.

Section 3. Removal. The entire Committee may be removed from office with or without cause, by a majority vote of the members of the Association; provided, however, that unless the entire Committee is removed, no director may be

removed if the number of votes cast against such removal exceeds twenty percent (20%) of the votes cast. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Committee and shall serve for the unexpired term of this predecessor. A vacancy in any office may be filled by the Project Committee by majority vote. The officer elected to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action without a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE IV

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Project Committee shall be held at intervals of not greater than ninety (90) days, at such place and hour as may be fixed from time to time by resolution of the Project Committee.

Section 2. Special Meetings. Special meetings of the Project Committee shall be held when called by the Chairman of the Association, or by any two (2) directors, after not less than seven (7) days notice to each director.

Section 3. Quorum. A majority of the directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Project Committee.

ARTICLE V
NOMINATION OF DIRECTORS

Nomination for election to the Committee shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Project Committee, and two or more members of the Association. The Nominating Committee shall be appointed by the Project Committee prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Project Committee as it shall in its discretion determine, but not less than the number of directors to be elected. Such nominations may be made only among Project Owners or duly authorized officers of corporate or partnership Project Owners.

ARTICLE VI
POWERS AND DUTIES OF THE PROJECT COMMITTEE

Section 1. Powers. The Committee shall have power to:

(a) Exercise for the Association all powers, duties and authority vested in or delegated to this Association

and not reserved to the membership by other provisions of these By-Laws or the Declaration;

(b) Declare the office of a member of the Project Committee to be vacant in the event such member shall be absent from three (3) consecutive meetings of the Committee; and

(c) Employ a manager, independent contractors or such other agents or employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. The Project Committee shall duly perform all of its duties under the Declaration. In addition, the Committee shall:

(a) Cause to be kept a complete record of all its acts and affairs which shall be made available for inspection by the members at all reasonable times;

(b) Employ and supervise all officers, agents and employees of this Association and see that their duties are properly performed;

(c) Send written notice of each annual assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period;

(d) Cause all officers or employees having fiscal responsibilities to be bonded, as the Project Committee deems appropriate; and

(e) Cause any sums collected by the Association to be held as a reserve for contingencies, future maintenance or future replacements to be deposited in separate accounts or invested and not commingled with the Association's general funds or used for purposes other than those for which they are collected.

Section 3. Liability and Indemnification of

Officers and Directors. The Association shall indemnify every officer and director of the Association against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the then Project Committee) to which he may be made a party by reason of being or having been an officer or director of the Association, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors of the Association shall not be liable to the Project Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The officers and directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the association project (except to the extent that such officers or directors may also be Project Owners) and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director of the Association, or former officer or director of the Association, may be entitled.

Section 4. Non-Profit Purpose. In order to preserve the non-profit, income tax-exempt status of the Association, neither the Committee nor any member thereof shall do any act, or authorize or suffer the doing of any act by an officer or employee of the Association, on behalf of the Association which

is inconsistent with the By-Laws or the non-profit purpose of the Association. Any such act or acts shall be ultra vires and void.

ARTICLE VII

COMMITTEES

Section 1. Committees. The Project Committee shall appoint such committees as it deems appropriate in carrying out its purposes.

Section 2. Number and Duties. Such committees shall have the duties given them in the resolutions by which they are created.

ARTICLE VIII

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The regular annual meetings of the members shall be held on the second Tuesday of July of each year at 8:00 p.m. upon the Project Common Area or at such other reasonable place and time (not more than sixty (60) days before or after such date) as may be designated by written notice of the Project Committee delivered not less than ten (10) days prior to the date fixed for said meeting.

Section 2. Extraordinary Meetings. Extraordinary meetings of the members may be called at any time by written notice of a majority of the Project Committee or by Project

Owners having one-fifth (1/5) of the total votes and delivered not less than thirty (30) days prior to the date fixed for said meeting.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid at least seven (7) days and no more than sixty (60) days before such meeting to each member entitled to vote thereat addressed to the members' address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hours of the meeting, and in the case of an extraordinary meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast one-half (1/2) of the votes shall constitute a quorum for any action except as otherwise provided in the Declaration or these By-Laws. If, however, such quorum shall not be present, the meeting may be adjourned to a date no less than forty-eight (48) hours nor more than thirty (30) days thereafter. At such reconvened meeting, the presence of members entitled to cast at least twenty-five percent (25%) of the votes in person or by proxy shall constitute a quorum. A meeting may only be reconvened once. Thereafter, a new meeting must be called and the original quorum requirements shall be applicable.

Section 5. Proxies. At all meetings of members each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary prior to commencement of any meeting where the proxy is to be exercised. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his condominium.

ARTICLE IX
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The offices of this Association shall be a Chairman and Vice-Chairman, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create, all of whom shall at all times be members of the Project Committee.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Project Committee following each annual meeting of the members.

Section 3. Term. The officers of this Association, shall be elected annually by the Project Committee and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Project Committee may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Project Committee may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Project Committee. Any officer may resign at any time by giving written notice to the Project Committee, the Chairman or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No

person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 7. Duties. The duties of the officers are as follows:

(a) Chairman. The Chairman shall preside at all meetings of the Project Committee and act as the chief executive officer of the Association.

(b) Vice-Chairman. The Vice-Chairman shall act in the place and stead of the Chairman and in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Project Committee.

(c) Secretary. The Secretary shall cause to be recorded the votes and the minutes of all meetings and proceedings of the Project Committee and of the members; serve notice of meetings of the Project Committee and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Project Committee;

(d) Treasurer. The Treasurer shall cause to be received, deposited, invested, and/or disbursed all funds of the Association as directed by resolution of the Project Committee; shall assure that checks and promissory notes of the Association are signed by authorized signers as designated by resolution of the Project Committee; assure that proper books of account are kept, cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and assure that an annual budget and a statement of income and expenditures are prepared and delivered, a copy of each to the members.

ARTICLE X
BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times during reasonable business hours, be subject to inspection by any member. The Declaration and these By-Laws shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost. There shall be an annual audit of the books and records of the Association by an independent public accountant or certified public accountant and a copy thereof shall be sent to each member within thirty (30) days after completion thereof and in any event within ninety (90) days after the end of each fiscal year.

ARTICLE XI
ARBITRATION

Section 1. Election and Appointment. In the event any dispute should arise between the Project Committee and a Project Owner or Owners, either or both parties may by written notice thereof to the other party submit the dispute to arbitration. Within thirty (30) days of receipt of such notice of intent to submit the matter to arbitration, each party shall select an arbitrator, and the two arbitrators so appointed shall select a third arbitrator who shall be referred to herein as the "neutral arbitrator" and the dispute shall be submitted to arbitration before the three arbitrators. Cost of arbitration will be split equally between the parties.

Section 2. Procedure. The notice, hearing and general arbitration procedures shall be as set forth in California Code of Civil Procedure sections 1280 and following.

ARTICLE XII

AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a two-thirds (2/3) majority of a quorum of members, present in person or by proxy.

Section 2. In the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

IN WITNESS WHEREOF, we, being all of the Directors of *Unit of Condominiums, Regent Assoc.*, have hereunto set our hands this 22 day of March, 1977.

Thomas Van Berken
Norman E. Gillett
James A. Gillett
Diane Dee
Charles W. Kuehl