

# BYLAWS

of

## LAKESHORE HOMES ASSOCIATION

A California Nonprofit Mutual Benefit Corporation

### ARTICLE I. GENERAL PROVISIONS

Section 1. Principal Office. The corporation's principal office is fixed and located at 907 Underhills Road, Oakland, California 94610. The Board of Directors (herein called the "Board") is granted full power and authority to change said principal office from one location to another. Any such change shall be noted on the Bylaws opposite this Section 1, or this Section 1 may be amended to state the new location.

Section 2. Governing Restrictions. These Bylaws are governed by the provisions of the California Nonprofit Mutual Benefit Corporation Law, as embodied in the Corporations Code. They are further subject to the Restated Articles of Incorporation and the First Amended and Restated Declaration of Restrictions of LAKESHORE HOMES ASSOCIATION as recorded in the Office of the County Recorder of the County of Alameda, State of California on the 19th day of April, 1979.

### ARTICLE II. MEMBERSHIP

Section 1. Classes. There shall be one class of members. Every person, firm, corporation, or entity who is record owner of the fee, or undivided fee, or interest in any Lot, or who holds a contract for purchase of and resides upon any Lot, shall be a member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from the ownership of a Lot.

Section 2. Voting Rights. The Association shall have one class of voting members. All members shall be Owners of a Lot and shall be entitled to vote for each Lot owned. When more than one person or entity, is shown of record to be the Owner of a Lot, all such persons or entities shall be members. The vote for such Lot shall be exercised as the Owners thereof among them-

selves determine, but in no event shall more than one vote be cast with respect to any Lot.

Each member shall have the right to vote, as set forth above and subject to Section 12 of this Article II, for the election of directors, on a disposition of substantially all of the assets of the corporation, on a merger, on a dissolution, and on any matter submitted to a vote of the members. Members who fail to be in good standing, as set forth in Section 6 of this Article II, shall not be entitled to vote on any matter.

In the event of dissolution of the corporation, the members of record at the time a certificate evidencing the corporation's election to dissolve is filed with the Attorney General, or, if no such election is made, at the time an order for winding up and dissolution of the corporation is entered shall, pursuant to paragraph SEVENTH of the Articles of Incorporation, determine the recipient(s) of the assets of the corporation remaining after (a) return of those assets held upon a valid condition requiring return, transfer, or conveyance, which condition has occurred or will occur; (b) disposition of those assets held in a charitable trust in compliance with the provisions of any trust under which such assets are held; (c) payment, or adequate provision for payment, of all taxes, penalties, debts, and liabilities; and (d) other provisions under applicable law.

**Section 3. Membership Fee.** Each member shall pay an assessment in such amounts and at such times as shall be determined by the Board, pursuant to Section 7 of the Declaration of Restrictions.

**Section 4. Transfer of Membership.** The board may provide for the transfer of memberships, subject to such restrictions or limitations as the Board deems appropriate, including transfer upon the death, dissolution, merger, or reorganization of a member.

**Section 5. Termination of Membership.** The board may not terminate or suspend a membership or expel or suspend a member for any reason. When the qualification of a member, as set forth in Section 1 of this Article II, shall cease, his membership shall lapse.

**Section 6. Good Standing.** Any member who shall be in arrears in the payment of any installment of assessments or liens more than one year after their due date shall not be in good standing and shall not be entitled to vote as a member.

**Section 7. Place of Meetings.** Meetings of members shall be held either at the principal office of the corporation or at any

other place within the City of Oakland, State of California which may be designated by the Board or by the consent of all persons entitled to vote thereat.

**Section 8. Annual Meetings.** Annual meetings of members shall be held during the month of November at a time, date, and location as may be fixed by the board. The election of directors for the following calendar year shall be held at the annual meeting. Any other proper business may be transacted at the meeting.

**Section 9. Special Meetings.** Special meetings of members may be called for any lawful purpose at any time by the Board, the President, or not less than five (5) percent of the members.

**Section 10. Notice of Annual or Special Meetings.** Written notice of each annual or special meeting of members shall be given to each member entitled to notice thereof. Notice shall be given by mail not less than 20 days before the meeting, addressed to each member at the address recorded on the books of the corporation. Such notice shall state the place, date, and hour of the meeting and (a) in the case of a special meeting, the general nature of the business to be transacted, or (b) in the case of the annual meeting, those matters which the Board, at the time of the mailing of the notice, intends to present for action by the members. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is sent to members.

**Section 11. Quorum.** One-third (1/3) of the voting power, represented in person or by proxy, shall constitute a quorum at any meeting of members. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the members, unless the vote of a greater number is required by law, by the Articles, by the Declaration of Restrictions, or by these Bylaws.

**Section 12. Voting.** The members entitled to notice of any meeting or to vote at any such meeting shall be only persons in whose name memberships stand on the records of the corporation on the record date for notice, which shall be the date of mailing said notice as outlined in Section 10 of this Article II.

Elections need not be by ballot; provided, however, that all elections for directors must be by ballot upon demand made by a member at the meeting and before the voting begins.

In any election of directors, the candidates receiving the highest number of votes are elected.

If a membership stands of record in the names of two or more persons, whether fiduciaries, members or a partnership, joint tenants, tenants in common, husband and wife as community property, tenants by the entirety, voting trustees, persons entitled to vote under a voting agreement or otherwise, or if two or more persons (including proxyholders) have the same fiduciary relationship respecting the same membership, unless the Secretary of the corporation is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect:

(a) If only one votes, such act binds all; or

(b) If more than one vote, the act of the majority so voting binds all.

**Section 13. Proxies.** Every person entitled to vote a membership has the right to do so either in person or by one or more persons authorized by a written proxy executed by such members and filed with the Secretary. Any proxy duly executed is not revoked and continues in full force and effect until revoked by the person executing it prior to the vote pursuant thereto. Such revocation may be effected either (a) by a writing delivered to the Secretary of the corporation stating that the proxy is revoked, (b) by a subsequent proxy executed by the person executing the prior proxy and presented to the meeting, or (c) as to any meeting, by attendance at the meeting and voting in person by the person executing the proxy.

**Section 14. Conduct of Meetings.** The President shall preside as chairman at all meetings of the members. The chairman shall conduct each such meeting in a businesslike and fair manner, but shall not be obligated to follow any technical, formal, or parliamentary rules or principles of procedure. The chairman's rulings on procedural matters shall be conclusive and binding on all members. Without limiting the generality of the foregoing, the chairman shall have all of the powers usually vested in the chairman of a meeting of members.

**Section 15. Representatives.** Any individual who holds a position as director or officer of the corporation must be a member in good standing and live within the geographical boundaries of Lakeshore Highlands.

### **ARTICLE III. DIRECTORS**

**Section 1. Powers.** Subject to limitations of law, of the Articles, of these Bylaws, and of the Declaration of Restrictions relating to action required to be approved by the members or by a majority of members, the activities and affairs of the corporation shall be conducted and all corporate powers including those

outlined in the Articles and Declaration of Restrictions, shall be exercised by or under the direction of the Board. The Board may delegate the management and administration of the activities of the corporation to any person or persons, or committees however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

(a) To select and remove all the other officers, agents, administrators and employees of the corporation, prescribe powers and duties for them, fix their compensation, and require from them security for faithful service.

(b) To conduct, manage, and control the affairs and activities of the corporation and to make such rules and regulations therefor as they may deem best.

(c) To adopt, make, and use a corporate seal, and to alter the form of such seal from time to time as they may deem best.

(d) To authorize the issuance of memberships of the corporation from time to time, upon such terms and for such consideration as may be lawful.

(e) To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.

Section 2. Number of Directors. The authorized number of directors shall be five until changed by amendment of the Articles of Incorporation. The Board may, however, from time to time elect an additional, nonvoting, temporary director on an ad hoc basis where a special committee is appointed and it is not practical for a regular director to be a member thereof.

Section 3. Election and Term of Office. Directors shall be elected at each annual meeting of the members, but if 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. Each director so elected shall serve for a one year term during the calendar year immediately following the annual meeting and until a successor has been elected and qualified. At the time of mailing the notice of annual or special meeting of members to elect directors of

the corporation, the Board of Directors shall publish a slate of directors nominated by the Board to serve for the following year together with the names of any other members wishing to be nominated for the position of director.

**Section 4. Vacancies.** Any director may resign effective upon giving written notice to the Chairman of the Board, the President, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected before such time to take office when the resignation becomes effective.

Vacancies in the Board occurring during the elected term may be filled by a majority of the remaining directors, although less than a quorum, or by a sole remaining director, and each director so elected shall hold office until the expiration of the term of the replaced director and until such replacement director's successor has been elected and qualified.

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 regular 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.

The Board may declare vacant the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, been found by a final order or judgment of any court to have breached any duty in respect to any assets held in charitable trust, has failed to attend four (4) meetings of the Board during a one year period, or has ceased to satisfy the requirements of Article II, Section 15 herein.

The members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's terms of office.

**Section 5. Place of Meeting.** Regular or special meetings of the Board shall be held at the principal office of the corporation or at any place within the City of Oakland which has been designated from time to time by the Board.

**Section 6. Regular Meetings.** Regular meetings of the Board shall be held without call or notice on the second Wednesday of each month at 7:30 o'clock p.m., local time. At the first scheduled regular meeting of each calendar year, the Board

shall conduct the organization, election of officers, and the transaction of other business.

**Section 7. Special Meeting.** Special meetings of the Board for any purpose or purposes may be called at any time upon reasonable written or oral notice by the Chairman of the board, the President, any Vice President, the Secretary, or any two directors. Notice of a meeting need not be given to any director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting.

**Section 8. Quorum.** A majority of the authorized number of directors constitutes a quorum of the Board for the transaction of business and to adjourn. 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, by the Articles, or by the Declaration of Restrictions, except as provided in the next sentence. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

**Section 9. Action Without Meeting.** Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent to such action. Such consent shall either be in writing or, if oral, by an approval of the written minutes of such action at the next regular meeting of the Board. Such consent or consents shall have the same effect as a unanimous vote of the Board.

**Section 10. Rights of Inspection.** Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation.

**Section 11. Committees.**

a. **Standing Committees:** Each standing committee is chaired by one of the directors.

(1) Neighborhood Preservation Committee - Advises the Board on matters affecting the quality and character of the neighborhood, and enforcement of standards.

(2) Park Services Committee - Advises the Board on the management and development of Association owned common park areas and open space.

(3) Membership Services Committee - Advises the Board on the management of existing membership services and the development of new services.

(4) Budget/Finance Committee - Advises the Board on the supervision and management of Association financial affairs.

b. Executive Committees: The Board may appoint one or more committees, each consisting of two or more directors, and delegate to such committees any of the authority of the Board except with respect to:

(1) The approval of any action which by law also requires approval of the members or approval of a majority of all members;

(2) The filling of vacancies on the Board or in any committee;

(3) The amendment or repeal of Bylaws or the adoption of new Bylaws;

(4) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;

(5) The appointment of other committees of the Board or the members thereof;

(6) The expenditure of corporate funds to support a nominee for director after there are more people nominated for director than can be elected; or

(7) With respect to any assets held in charitable trust, the approval of any self-dealing transaction.

Any such committee must be created, and the members thereof appointed by resolution adopted by a majority of the authorized number of directors then in office, provided a quorum is present. Minutes shall be kept of each meeting of each committee.

c. Special Committees: The Board may appoint one or more special committees, each containing at least one director, to advise and make recommendations to the Board on any matter referred to it for review and consideration.

Section 12. Fees and Compensation. Directors and members of committees shall not receive any compensation for their ser-



vices, but shall be reimbursed for reasonable expenses, as may be fixed or determined by the Board.

#### ARTICLE IV. OFFICERS AND ADMINISTRATORS

Section 1. Officers. The officers of the corporation shall be a President, two (2) Vice Presidents, a Secretary, and a Treasurer, all of whom shall satisfy the requirements of Article II, Section 15, herein. Each Board member may be an officer of the corporation, but no person may hold more than one office at a time.

Section 2. Election. The officers of the corporation, except the Administrator, shall be chosen annually by the Board at the first regular meeting of each calendar year. They shall serve at the pleasure of the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected.

Section 3. Removal and Resignation. Any officer may be removed, either with or without cause, by the Board at any time. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment of the officer.

Any officer may resign at any time by giving written notice to the corporation, but without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. 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 these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

Section 5. President. Subject to such powers, if any, as may be given by the Board, the President is the general manager and chief executive officer of the corporation and has, subject to the control of the Board, general supervision, direction, and control of the business and officers of the corporation. The President shall preside at all meetings of the members and at all meetings of the Board. The President has the general powers and

duties of management usually vested in the office of president and general manager of a corporation and such other powers and duties as may be prescribed by the Board.

**Section 6. Vice Presidents.** In the absence or disability of the President, 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 from time to time may be prescribed for them respectively by the Board.

**Section 7. 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 members, the Board, and its committees (where deemed necessary), 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 and committee meetings, the number of members present or represented at members' meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of California the original or a copy of the corporation's Articles, Bylaws and Declaration of Restrictions, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board and any committees thereof required by these Bylaws or by law to be given, shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board.

**Section 8. Treasurer.** The Treasurer is the chief financial officer of the corporation and Chairman of the Finance Committee, and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, and shall send or cause to be sent to the members of the corporation such financial statements and reports as are by law or these Bylaws required to be sent to them. The books of account shall at all times be open to inspection by any director.

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

Section 9. Administrator. The Administrator manages the daily operations of the corporation; serves as a communication link between the Board, committees and membership; provides staff support for the projects and activities of the corporation volunteers; and administers the membership services. The administrator position may be shared by two persons, but no Administrator may hold any other office or be on the board. The Administrator is an employee, whose salary and benefits shall be determined and set by the Board on a regular basis. The Administrator shall be chosen by the Board whenever a vacancy occurs, either by removal or resignation, and after soliciting applications from the membership.

#### ARTICLE V. OTHER PROVISIONS

Section 1. Inspection of Articles, Bylaws and Corporate Records. The corporation shall keep in its principal office in the State of California the original or a copy of its Articles, of the Declaration of Restrictions, and of these Bylaws as amended to date, which shall be open to inspection by members at all reasonable times during office hours.

The accounting books and records and minutes of proceedings of the members and the Board and committees of the Board shall be open to inspection upon written demand on the corporation of any member at any reasonable time for a purpose reasonably related to such person's interests as a members.

Section 2. Endorsement of Documents; Contracts. Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the corporation and any other person, when signed by the Chairman of the Board, the President or any Vice President, and the Secretary, or the Treasurer of the corporation shall be valid and binding on the corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may also be signed by the Administrator(s) in such manner as from time to time shall be determined and authorized by the Board.

Section 3. Amendments. These Bylaws may be amended or repealed by approval of the members (at any meeting as outlined in Article II, herein) or by the approval of the Board; provided, however, that members must approve any action that would: (a) materially and adversely affect the rights of members as to voting, dissolution, or redemption or transfer of memberships; (b) increase or decrease the total number of authorized

memberships; (c) effect an exchange, reclassification, or cancellation of all or any part of the memberships; (d) authorize a new class of membership; or (e) specify or change a fixed number of directors or the maximum or minimum number of directors or change from a fixed to a variable number of directors or vice versa.

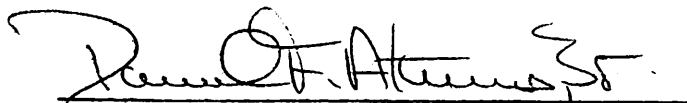
#### ARTICLE VI. INDEMNIFICATION

The corporation shall have the power to indemnify any director, officer, administrator, employee and agent, who was or is a party or is threatened to be made a party to any legal proceeding or action, against expenses actually and reasonably incurred in connection with such proceeding or action, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation.

This power shall be subject to and governed by the provisions of Article 3 of Chapter 2 of the California Nonprofit Mutual Benefit Corporation Law, commencing with Section 7230 of the Corporations Code, and specifically Section 7237 thereof, and any amendments thereto. Nothing in this Article VI of these bylaws shall be construed in any way to limit, modify or alter the indemnification power of the corporation under the above statutory provisions.

CERTIFICATE OF SECRETARY  
of  
LAKESHORE HOMES ASSOCIATION  
A California Nonprofit Corporation

I hereby certify that I am the duly elected and acting Secretary of said corporation and that the foregoing Bylaws, comprising twelve (12) pages, constitute the Bylaws of said corporation as duly adopted at a meeting of the Board of Directors thereof held on December 12, 1984.

  
Daniel F. Altemus, Jr., Secretary

CERTIFICATE OF ADOPTION OF BYLAWS

The undersigned Directors of Lakeshore Homes Association, having been authorized by a majority of the general membership at a meeting on November 15, 1984, to adopt new bylaws, hereby adopt the Bylaws attached hereto as the Bylaws of said corporation.

This Certificate of Adoption of Bylaws was executed on December 12, 1984.

Kenneth E. Mitchell  
Kenneth E. Mitchell

Gertrude R. Williams  
Gertrude Williams

Robert Rinder  
Robert Rinder

Joseph Greene  
Joseph Greene

Daniel F. Altemus, Jr.  
Daniel F. Altemus, Jr.

**FIRST AMENDMENT TO BYLAWS OF  
LAKESHORE HOMES ASSOCIATION**

**Lakeshore Homes Association**

THIS FIRST AMENDMENT to the Bylaws of Lakeshore Homes Association ("Amendment") is attached to and made a part of the Bylaws of Lakeshore Homes Association, adopted on or about December 12, 1984 ("Bylaws"). The Bylaws and this Amendment shall all constitute the "Amended Bylaws" of Lakeshore Homes Association ("Association").

**Conflicting Terms.** In the event any term or provision in this Amendment conflicts or is inconsistent with any other term or provision in the Bylaws, the term or provision in this Amendment shall control.

**Article II, Section 11 of the Bylaws shall be changed as follows: Any text that is ~~stricken-through~~ will be removed and any text that is underlined will be included:**

ARTICLE II  
MEMBERSHIP

Section 11. Quorum. ~~One-third~~ Twenty percent (20%) of the voting power of all eligible members, ~~represented in power or by proxy,~~ shall constitute a quorum at any meeting of members. If the quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the members, unless the vote of a greater number is required by law, by the Articles, by the Declaration of Restrictions, or by these Bylaws.

**Article II, Section 12 of the Bylaws shall be changed as follows: Any text that is stricken-through will be removed.**

ARTICLE II  
MEMBERSHIP

Section 12. Voting. The members entitled to the notice of any meeting or to vote at any such meeting shall be only persons in whose name membership stand on the records of the Corporation on the record date for notice, which shall be the date of mailing said notice as outlined in section 10 of this article No. II.

Elections need not be by ballot; provided, however, that all elections for directors must be by ballot upon demand by a member at the meeting and before the voting begins.

In any election of directors, the candidates receiving the highest number of votes are elected.

If a membership stands of record in the names of two or more persons, whether fiduciaries, members or a partnership, joint tenants, tenants in common, husband and wife as community property, tenants by the entirety, voting trustees, persons entitled to vote under a voting agreement or otherwise, or if two or more persons (~~including proxyholders~~) have the same fiduciary relationship respecting the same membership, unless the Secretary of the Corporation is given written notice to the contrary and is furnished with the copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect:

- (a) If only one votes, such acts binds all; or
- (b) If more than one vote, the act of the majority so voting binds all.

**Article II, Section 13 of the Bylaws shall be removed it is entirety and the following shall take its place.**

ARTICLE II  
MEMBERSHIP

Section 13. Proxies. Proxy voting is not allowed.

**CERTIFICATION**

WE CERTIFY this 17<sup>th</sup> day of December, 2014 that these Amended Bylaws have been duly approved and adopted by the membership of Lakeshore Homes Association.

**LAKESHORE HOMES ASSOCIATION**

By:

CS Metcalfe

Print Name:

Christina Metcalfe

Title:

President

By:

Mary Merrick

Print Name:

Mary Merrick

Title:

Secretary