

By-Laws
Mesa Palos Verdes Homeowners Association
Including amendments through 05/2014.

ARTICLE 1
Community Area

Section 1. Boundary Changes

Upon written application to the Association, signed by a majority of the homeowners of an adjacent or neighboring community area, such an area may be considered for inclusion within the boundaries encompassed by the activities of the Association. Additions to or extensions of the boundaries of the Association shall require the approval of such an application by a majority of the members present and proxies at either a regular or special meeting of the members and shall require an amendment to these By-Laws.

Section 2. Zone Changes

The Zone boundaries may only be changed by the members at a regular or special meeting of the members or by a mail ballot and the number of Zones may likewise be increased or decreased in number. There are currently 10 zones.

ARTICLE 11
Members

Section 1. Membership

Membership in the association shall impose the duty and obligation to conform to and be bound by all tract restrictions now or hereafter of record and all mutual covenants and agreements in any way affecting the property within the boundaries of the community area known as "Mesa Palos Verdes" as described in the Articles of Incorporation of the Association and in amendments to these By-Laws.

Section 2. Qualifications

Membership in the association shall be limited to homeowners/residents residing within the boundaries of the community area known as "Mesa Palos Verdes" as described in the Articles of Incorporation of the Association and in amendments to these By-Laws. Such residence and ownership shall entitle the owner/resident thereof to membership in the Association. Membership in the association shall entitle such owner/resident to all of the benefits, advantages and increments resulting from such membership as provided by these By-Laws. There shall be no more than one membership per lot and no member may hold or own more than one membership.

Section 3. Classes of Membership

There shall be one class of membership: voting membership. Only those members who pay the dues and assessments as prescribed by these By-Laws shall qualify as voting members.

Section 4. Approval of Membership Application

Homeowners who meet the qualifications defined herein shall be accepted as voting members of the Association immediately upon: 1/ submitting full payment of annual or prorated dues, and 2/ submitting full payment of current assessments, as provided for in these By-Laws.

Section 5. Dues

The annual dues of the Association shall be \$30.00. Dues are payable annually, on April 1st of each year, to the Treasurer. Dues shall be considered delinquent if not paid within forty-five days after the due date. Failure to pay dues within said forty-five day period will automatically suspend the voting privileges of the membership. Any reinstatement of voting privileges which were revoked for non-payment of dues shall require full payment of dues for the current year. Dues for new memberships shall be prorated to the nearest three-month period.

Section 6. Assessment

Assessments shall require the approval of 75 percent of the ballots cast by the membership of the Association. Assessments shall be considered delinquent if not paid within thirty days after the due date as established at the time of approval of the assessment. Failure to pay assessments within said thirty-day period will automatically suspend the voting privileges of the membership. Any reinstatement of voting privileges which were revoked for non-payment of assessments shall require full payment of all assessments in arrears. For new memberships, assessments shall be considered current if approved during the six months prior to the application for membership.

Section 7. Term

The term of the membership shall be one year. Memberships shall automatically be renewed upon payment of dues in accordance with these By-Laws.

Section 8. Fiscal Year

The fiscal year of the Association shall coincide with the membership year and shall be from April 1 to and including March 31.

Section 9. Transferability

Upon termination of membership, however affected, all interests, rights and privileges in the Association and its property represented by the membership shall automatically cease. Memberships shall be non-transferable.

Section 10. Resignation

Members may resign from membership in the Association at any time by tendering his, her, or their resignation in writing to the President or Secretary. After having resigned, a homeowner or owners may regain membership only by meeting the requirements for and applying as a new member.

ARTICLE 111 Meeting and Voting

Section 1. Voting Rights

Only dues-paying members shall be entitled to vote and each membership shall entitle the holder or holders thereof to one vote only, which shall be non-accumulative. Votes may be cast in person, by written proxy filed with the Secretary before voting, by mail or by email, except that the spouse of the member need not be required to have a written proxy in order to vote for the member in his or her absence. Proxies shall be in writing, signed by the owner or owners of the membership represented thereby, and shall entitle the holder or holders thereof to vote upon presentation of said written proxy to the Secretary or Acting Secretary of the meeting. Said written proxy shall be valid only for the one said meeting and shall become invalid upon the final adjournment thereof and shall not be returned.

Section 2. Regular Meetings

Regular annual meetings of the members shall be held during the month of April, May or June at an evening hour and at a place to be designated by the Board of Directors.

Section 3. Special Meetings

Special meetings of the members may be called by the Board of Directors or by the President to be held at any place within Palos Verdes Peninsula upon giving notice thereof as required by these By-Laws. Upon written demand signed by members representing not less than 25 percent of the voting rights in the Association, the President shall call such a meeting. Special meetings called as a result of written demand by the members shall be convened not sooner than seven days nor later than fourteen days following receipt of such written demand. After fixing the time thereof, the President shall serve, or cause to be served, notice of such special meeting in compliance with the provisions of these By-Laws.

Section 4. Notice of Meetings

Notices of regular and special meetings shall state the time, place and purpose of the meetings, and may contain any other matter, and shall be mailed, emailed, or personally delivered by the Secretary, or by any person authorized by the Secretary or the President. Notices shall be submitted to the holder or holders of each membership at the home or email address of each as it appears on the records of the Association at least seven days prior to the date of the regular meeting and at least three days prior to the date of a special meeting. Service of notice of any meeting in the manner required by this section shall be conclusive and incontestable when a declaration thereof is made at such meeting by the person giving such notice and an entry of such declaration is made in the minutes of such meeting.

Section 5. Chairman and Secretary of Meetings

The President or in the absence of the President, the Vice-President, and the Secretary shall act as presiding officer and secretary respectively, of the meetings. In the absence of the Secretary, the presiding officer shall appoint an acting secretary for that meeting. In the absence of both the President and Vice-President, the members of the Board of Directors in attendance at the meeting shall appoint an acting presiding officer for that meeting. The presiding officer shall designate the order of business at all meetings of the members.

Section 6. Quorum

Members representing a minimum of 50 percent of the Zones shall be present at a regular or special meeting of the members as a prerequisite to the convening of the meeting and the transaction of business. The members present at any properly convened meeting shall constitute a quorum for the transaction of business.

Section 7. Procedure

The rules of procedure contained in Roberts Rules of Order, Revised, shall govern in every manner in which they apply and where not inconsistent with these By-Laws.

Section 8. Minutes

The minutes of all regular and special meetings of the members shall be distributed to all officers and directors and be available to all voting memberships of the Association through the Secretary.

Section 9. Voting by Mail

When a vote of the membership is solicited by means other than a regular or special meeting of the members, a majority of the ballots returned to the Secretary within seven days after distribution of the ballot shall constitute a deciding ballot.

ARTICLE 1V

Board of Directors

Section 1. Management

The business and affairs of the Association shall be conducted, its powers exercised and its property controlled by a Board of Directors in accordance with the provisions of these By-Laws.

Section 2. Number

Each Director shall be a dues-paying member in good standing of the Association. One Director shall be elected from each of the Zones included within the boundaries of the Association area; in addition, the President, Vice-President, Secretary and Treasurer shall serve as regular voting members of the

Board of Directors. The immediate past President shall serve as a voting, ex-officio, member of the Board of Directors.

Section 3. Term of Office

Directors shall serve for the period of one year between regular annual meetings of the members. There shall be no limitation placed upon the number of successive terms in office any Director may hold. In each instance, however, the Director shall serve until his or her successor shall have been elected.

Section 4. Election

The first Directors shall be elected at the organizational meeting of the members; thereafter, Directors shall be elected by secret ballot at the regular annual meetings of the members as stated in Section 2 of this Article. Directors, other than Officers, are elected by a majority vote of the members present or represented from the Zone in which they reside. In the event that no nominations are accepted in a Zone or no members from a Zone are present to elect a Director, the President is empowered to appoint a qualified Director to represent that Zone. Should any Director be elected an Officer of the Association, the membership of the affected Zone shall elect a new Director to fill the resulting vacancy. Vacancies occurring for any other reason shall be filled by a special election by the membership of the affected Zone. Should no election occur, the President shall appoint a new Director.

Section 5. Removal

A Director may be removed from office, with or without cause, upon the agreement of a majority of the members of the Zone represented by the Director.

Section 6. Powers

The Board of Directors shall have the general powers conferred by the Laws of the State of California and by these By-Laws; and, in addition, shall have the power to delegate to any member any power which the Board as a whole might have except as restricted or forbidden by these By-Laws.

Section 7. Responsibilities

The Board of Directors as an entity shall be responsible to the membership of the Association for the exercise of powers and the management of the business of the Association as provided in these By-Laws. Individual Directors, other than Officers, are responsible for reflecting the opinions and desires of the majority of members of the Zone they represent. Specifically, the Board of Directors shall act or cause action to be taken to implement and effect the purposes of the Association as defined in the Articles of Incorporation and the By-Laws of the Association.

Section 8. Financial Duties and Authority

The Board of Directors shall prepare and submit to the members for approval and adoption at their regular annual meeting a budget based on estimates submitted to it by the Treasurer. No indebtedness shall be incurred and no expenditure shall be made without the approval of a majority of the Board of

Directors; any single expenditure or total indebtedness in excess of \$500.00 shall require the unanimous consent of the Board of Directors or the approval of a majority of the membership, unless such indebtedness or expenditure shall have been included in the budget as approved by the members. Any single expenditure, a total indebtedness, or any combination of expenditures and indebtedness for any single service, act or item that exceeds the total cash assets of the Association plus fifty percent of the dues that will be collected during the six months following the expenditure of commitment of indebtedness shall require the approval of the membership at a regular or special meeting of the members. No indebtedness exceeding the total of the annual dues of the membership shall be incurred by the Association. The requirements of this Section shall apply during the first year following incorporation of the Association except that no budget shall be required for membership approval.

Section 9. Quorum

Directors representing a minimum of 50 percent of the Zones shall be present at a regular or a special meeting of the Board of Directors as a prerequisite to the convening of the meeting and the transaction of business; such representation shall constitute a quorum.

Section 10. Place of Meeting

All meetings of the Board of Directors shall be held at a place to be designated by the President, in Palos Verdes Peninsula, unless otherwise ordered by the Board of Directors.

Section 11. Regular Meetings

Regular meetings of the Board of Directors shall be held bi-monthly at the hour of 8:00 o'clock pm. Meeting dates shall be set by the presiding officer.

Section 12. Special Meetings

Special meetings of the Board of Directors may be called by the President or by any three members of the Board of Directors, to be held at any place within Palos Verdes Peninsula as designated by the President, upon giving notice thereof as required by these By-Laws.

Section 13. Attendance by Members

All meetings of the Board of Directors shall be open to any and all voting members of the Association.

Section 14. Minutes

The minutes of all regular and special meetings of the Board of Directors shall be published and distributed to all Officers and Directors and available to all voting memberships of the Association through the Secretary.

Section 15. Notices of Meetings

Notices of regular and of special meetings stating the time and place, shall be mailed, emailed, or personally delivered by the Secretary or by any person authorized by the Secretary or by the President to each Director at his or her home or email address as it appears on the records of the Association, or at any other known address, at least seven days prior to the date of the regular meeting and at least three days prior to the date of a special meeting.

Section 16. Proxy

When a Director is unable to attend a meeting of the Board of Directors, that Director may appoint a representative for that meeting; said representative shall be a resident of the Zone from which the Director has been elected and shall be provided with a written and signed proxy by the said Director for use only at the specific meeting at which the Director will not be present. The proxy shall entitle the representative to participate in the meeting of the Board and to vote on all matters during that meeting, after the proxy has been presented to the Secretary or acting secretary of the meeting.

Section 17. Compensation

All Directors, including Officers of the Association, shall serve without compensation.

ARTICLE V

Officers

Section 1. Designation

The executive officers of the Association shall be a President, a Vice-President, a Vice-President – Council Affairs, a Secretary and a Treasurer. The President shall serve as Chairman of the Board of Directors.

Section 2. Responsibilities

The Officers of the Association shall be responsible to the Board of Directors in the exercise of their powers and the performance of their duties. The individual Officers shall be responsible for performing or having performed the duties defined in these By-Laws; the Officers also shall have such other powers and shall perform such other duties as may be assigned to him or her by the Board of Directors.

Section 3. Election

The Board of Directors shall serve as a nominating committee for the Officers of the Association. After notifying the membership of the nominations, the Board shall present the nominees to the members at the regular annual meeting of the members and shall at that time accept additional nominations from the membership. If there is more than one nominee, election shall be by secret ballot at the regular annual meeting of the members.

Section 4. Term of Office

Officers shall serve for the period of one year between regular annual meetings of the members. There shall be no limitations placed upon the number of successive terms in office any Officer may serve. In each instance, however, the Officer shall serve until his or her successor shall have been elected.

Section 5. Vacancies

Should the office of any Officer become vacant for any reason, the Board of Directors shall immediately appoint a temporary Officer to that office. Within thirty days, the Board shall nominate and shall notify the membership of the nomination of a permanent officer for the vacancy. Election of the Officer shall be conducted by secret ballot by mail or at a special meeting of the members; ballots shall have provisions for write-in candidates. Officers elected to fill vacancies shall serve until the next regular annual meeting of the members.

Section 6. Removal

An Officer may be removed from office, with or without cause, upon the agreement of not less than two-thirds of the Directors or by agreement of a majority of the members and proxies present at a special meeting of the members and the office declared vacant.

Section 7. Qualifications

Each Officer of the Association shall be a voting member of the Association.

Section 8. President

The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the members and of the Board of Directors, and shall have general charge of the business of the Association, subject to the control of the Board of Directors. The President shall execute with the Secretary, in the name of the Association, all deeds, contracts, membership certificates, and all other instruments and obligations authorized by the Board of Directors to be executed.

Section 9. Vice-President

The Vice-President shall be vested with all the powers and shall perform all of the duties of the President in the case of the absence or disability of the President.

Section 10. Secretary

The Secretary shall keep, or cause to be kept, the minutes of all proceedings of the meetings of members and of the Board of Directors. He or she shall attend to the giving and servicing of notices of meetings of the members and of the Board of Directors. He or she shall execute, with the President, in the name of the Association, all deeds, contracts, membership certificates and other instruments and obligations authorized by the Board of Directors to be executed. He or she shall be the custodian of the corporate seal of the Association; and shall affix the same to deeds, contracts, certificates and other obligations

and instruments. He or she shall keep or have charge of such other books and papers as the Board of Directors may direct and shall perform all of the duties incident to the office of Secretary, subject to the control of the Board of Directors.

Section 11. Treasurer

The Treasurer shall keep or cause to be kept, full and accurate accounts of receipts and disbursements in books to be kept for that purpose. The Treasurer shall render to the President whenever required, and to the Board of Directors at their regular meetings, accounts of all of his or her transactions as Treasurer and of the financial conditions of the Association. All records of the Treasurer shall be available for inspection by the members at any reasonable time.

Section 12. Vice President – Council Affairs

The Vice President – Council Affairs shall act as the official representative of and spokesperson for the association to the Rancho Palos Verdes Council of Homeowners Associations and other like organizations with similar charters and responsibilities.

ARTICLE VI Committees

Section 1. Appointment

The Board of Directors shall have the power and authority to determine what committees, if any, shall be necessary and to designate the names, powers and duties of such committees, if any, and to appoint the chairman and members thereof, each of whom shall be a voting member of the Association.

Section 2. Discharge

Any committee appointed by the Board may be discharged by the Board of Directors at any time and for any reason.

Section 3. Removal of Members

Any member of any committee may be removed by a majority of the Board of Directors at any time, with or without cause.

ARTICLE VII Books, Papers, Maps and Reports

Section 1. Availability

All books, papers, maps, reports and records of the Association shall at all times during reasonable hours be available for the inspections by any voting member of the Association.

Section 2. Articles and By-Laws

A copy of the current Articles of Incorporation and of the current By-Laws and a copy of all revisions to these documents shall be made available to each membership through the Secretary.

Section 3. Zone Maps

A copy of the current map of the Zones of the Association and a copy of all revisions to this map shall be made available to each membership through the Secretary.

ARTICLE V111 Certificates of Membership

Section 1.

Certificates of membership shall be of such form and device as the Board of Directors may elect; and each certificate shall be signed by the President and countersigned by the Secretary, and express on its face its number, date of issuance, and person to whom issued, and shall bear the corporate seal of the Association, and shall contain a statement printed in clear type that the corporation is not one for profit.

ARTICLE 1X Seal

Section 1.

The Board of Directors shall adopt a suitable seal for the Association, containing such inscription as may be required by law; the Board of Directors shall have the power to alter, amend or change such seal at any time, and to provide for duplication of seals and to determine the place where the seal and any duplicate shall be retained.

ARTICLE X Amendment

Section 1. Proposal

Amendments to these By-Laws may be proposed to the membership at any time by a majority of the board of Directors or by members representing not less than twenty-five percent of the voting rights in the Association. Within thirty days after the next regularly scheduled meeting of the Board after receiving such a proposal, the Board shall cause to have distributed a copy of the proposal to each Director and made available to each membership through the Secretary.

Section 2. Approval

Approval of a change or changes to these By-Laws shall require affirmation by votes representing not less than fifty-one percent of the voting rights present at a regular or special meeting of the Association.

A vote of the membership shall be taken within thirty days after the distribution of the copies of the proposal.

ARTICLE XI
Dissolution

Section 1.

Upon the dissolution or winding-up of this corporation after paying or adequately providing for the debts and obligations of the corporation, the Directors or persons in charge of the liquidation shall divide any remaining assets among the voting members in accordance with their respective rights therein and in proportion thereto.

KNOW ALL MEN BY THESE PRESENTS:

That we the undersigned, being all of the Directors of Mesa Palos Verdes Homeowners Association, a nonprofit corporation organized and existing under the laws of the State of California, do hereby certify that the foregoing By-Laws were duly adopted by a resolution of the members of the Association, and the adoption ratified by the Board of Directors, on the 7th day of March 1966.

IN WITNESS THEROF, we have herewith subscribed our names this 7th day of March 1966.