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BYLAWS OF
SEASONS COURT ASSOCIATION

GERRY CONSTRUCTION

ARTICLE I. NAME AND LOCATION

The name of the corporation is SEASONS COURT ASSOCIATION hereinafter referred to as the "Association". The principal office of the Association shall be located at _____ City of Madera, County of Madera, State of California; but meetings of members and directors may be held at such places within the State of California, County of Madera, as may be designated by the Board of Directors.

ARTICLE II. DEFINITIONS

Section 2.01. "Association" shall mean and refer to SEASONS COURT ASSOCIATION, its successors and assigns.

Section 2.02. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions, and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 2.03. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 2.04. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 2.05. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple

1 title to any Lot which is a part of the Properties, including
2 contract sellers, but excluding those having such interest merely
3 as security for the performance of an obligation.

4 Section 2.06. "Declarant" shall mean and refer to
5 BERRY & BERRY, INC., and WESTGATE BUILDING MATERIALS, INC., their
6 successors and assigns if such successors or assigns should acquire
7 more than one undeveloped Lot from the Declarant for the purpose
8 of development.

9 Section 2.07. "Declaration" shall mean and refer to the
10 Declaration of Covenants, Conditions, and Restrictions applicable
11 to the Properties recorded in the Office of the Recorder of the
12 County of Madera, State of California, on _____ 19____, in
13 Book _____ at Page _____.

14 Section 2.08. "Member" shall mean and refer to those
15 persons entitled to membership as provided in the Declaration.

16 ARTICLE III. MEETINGS OF MEMBERS

17 Annual Meetings

18 Section 3.01. The first annual meeting of the Members
19 shall be held within one (1) year from the date of incorporation
20 of the Association, and not later than six (6) months after the
21 closing of the sale of the first Lot in the development and within
22 forty-five (45) days after the closing of the sale of the Lot
23 which represents the fifty-first (51st) percentile interest
24 authorized for sale under the first public report for the develop-
25 ment, whichever occurs first. Subsequent regular annual meetings
26 of the Members shall be held on the same day of the same month of

1 each year thereafter, at the hour of 8:00 p.m. If the day for
2 the annual meeting of the Members is a legal holiday, the meeting
3 will be held at the same hour on the first day following which is
4 not a legal holiday.

5 Special Meetings

6 Section 3.02. Special meetings of the Members may be
7 called at any time by a majority of a quorum of the Board of
8 Directors, or upon written request of the Members representing
9 at least twenty-five percent (25%) of the total voting power of
10 the Association or by Members representing at least fifteen
11 percent (15%) of all of the voting power residing in Members othe
12 than the subdivider.

13 Notice of Meetings

14 Section 3.03. Written notice of each meeting of the
15 Members shall be given by, or at the direction of, the secretary
16 or person authorized to call the meeting, by mailing a copy of
17 such notice, postage prepaid, at least fifteen (15), but not more
18 than thirty (30) days before such meeting to each Member entitled
19 to vote thereat, addressed to the Member's address last appearing
20 on the books of the Association, or supplied by such Member to
21 the Association for the purpose of notice. Such notice shall
22 specify the place, day, and hour of the meeting, and, in the case
23 of a special meeting, the purpose of the meeting.

24 Quorum

25 Section 3.04. The presence at the meeting of Members
26 entitled to cast, or of proxies entitled to cast fifty (50)

1 percent of the votes of each class of membership shall constitute
2 a quorum for any action except as otherwise provided in the
3 Articles of Incorporation, the Declaration, or these Bylaws. If
4 however, such quorum shall not be present or represented at any
5 meeting, the Members entitled to vote thereat shall have power to
6 adjourn the meeting from time to time, without notice other than
7 announcement at the meeting, until a quorum shall be present or
8 represented. Any action authorized under Section 4.03 or 4.04
9 of the Declaration shall be taken at a meeting called for that
10 purpose, written notice of which shall be sent to all Members not
11 less than thirty (30) nor more than sixty (60) days in advance
12 of the meetings. At the first such meeting called, the presence
13 of members or proxies entitled to cast fifty percent (50%) of
14 all the votes of each class of membership shall constitute a
15 quorum. If the required quorum is not present, another meeting
16 may be called subject to the same notice requirement, and the
17 required quorum at the subsequent meeting shall be one-half (1/2)
18 of the required quorum at the preceding meeting. No such subse-
19 quent meeting shall be held sooner than five (5) nor more than
20 thirty days following the preceding meeting.

21 Proxies

22 Section 3.05. At all meetings of Members, each Member
23 may vote in person or by proxy. All proxies shall be in writing
24 and filed with the secretary. Every proxy shall be revocable
25 and shall automatically cease upon conveyance by the Member of
26 this Lot.

1 Place of Meetings

2 Section 3.06. Meetings of the Association members shall
3 be held within the subdivision, or a meeting place as close
4 thereto as possible. Unless unusual conditions exist, members'
5 meetings shall not be held outside of the County of Madera.

6 ARTICLE IV. BOARD OF DIRECTORS--SELECTION--
7 TERM OF OFFICE

8 Number

9 Section 4.01. The affairs of this Association shall be
10 managed by a Board of nine (9) Directors, who need not be Members
11 of the Association.

12 Term of Office

13 Section 4.02. At the first annual meeting, the Members
14 shall elect three (3) directors for a term of one (1) year, three
15 (3) directors for a term of two (2) years and three (3) directors
16 for a term of three (3) years; and at each annual meeting there-
17 after, the Members shall elect three (3) directors for a term of
18 three (3) years.

19 Removal

20 Section 4.03. Unless the entire Board of Directors is
21 removed from office by the vote of Association Members, an
22 individual director shall not be removed prior to the expiration
23 of his term of office if the number of votes cast against his
24 removal is greater than the quotient arrived at by dividing the
25 total number of votes that may be cast under cumulative voting
26 procedures by ten (10). A director who has been elected solely

1 by the votes of Members other than the Declarant may be removed
2 from office prior to the expiration of his term only by the vote
3 of at least a simple majority of the voting power residing in
4 Members other than the Declarant. In the event of death, resigna-
5 tion, or removal of a director, his successor shall be selected
6 by the remaining members of the Board and shall serve for the
7 unexpired term of his predecessor.

8 Compensation

9 Section 4.04. No director shall receive compensation for
10 any service he may render to the Association. However, any
11 director may be reimbursed for his actual expenses incurred in
12 the performance of his duties.

13 Action Taken Without a Meeting

14 Section 4.05: The directors shall have the right to take
15 any action in the absence of a meeting which they could take at
16 a meeting by obtaining the written approval of all the directors.
17 Any action so approved shall have the same effect as though taken
18 at a meeting of the directors.

19 ARTICLE V. NOMINATION AND ELECTION OF DIRECTORS

20 Nomination

21 Section 5.01. Nomination for election to the Board of
22 Directors shall be made by a Nominating Committee. Nominations
23 may also be made from the floor at the annual meeting. The
24 Nominating Committee shall consist of a Chairman, who shall be a
25 member of the Board of Directors, and two or more Members of the
26 Association. The Nominating Committee shall be appointed by the

1 Board of Directors prior to each annual meeting of the Members,
2 to serve from the close of such annual meeting until the close of
3 the next annual meeting and such appointment shall be announced
4 at each annual meeting. The Nominating Committee shall make as
5 many nominations for election to the Board of Directors as it
6 shall in its discretion determine, but not less than the number
7 of vacancies that are to be filled. Such nominations may be made
8 from among Members or non-members.

9 Election

10 Section 5.02. Election to the Board of Directors shall be
11 by secret written ballot. Every Member entitled to vote at any
12 election of directors may cumulate his votes and give one candi-
13 date a number of votes equal to the number of directors to be
14 elected, multiplied by the number of votes to which such members
15 are otherwise entitled, or distribute his votes on the same
16 principle among as many candidates as he thinks fit. The candi-
17 dates receiving the highest number of votes up to the number of
18 directors to be elected shall be deemed elected. For so long as
19 a majority of the voting power of the Association resides in the
20 Declarant, or for so long as there are two outstanding classes
21 of membership in the Association, at least twenty percent (20%)
22 of the incumbents on the Board shall be elected solely by the
23 votes of the Owners other than the Declarant.

24 ARTICLE VI. MEETINGS OF DIRECTORS

25 Regular Meetings

26 Section 6.01. Regular meetings of the Board of Directors

1 shall be held monthly at such place and hour as may be fixed
2 from time to time by resolution of the Board. Should said meet-
3 ing fall upon a legal holiday, then that meeting shall be held
4 at the same time on the next day which is not a legal holiday.
5 Notice of the time and place of such meeting shall be posted at
6 a prominent place or places within the Common Area.

7 Special Meetings

8 Section 6.02. Special meetings of the Board of Directors
9 shall be held when called by written notice by the president of
10 the Association, or by any two directors, after not less than
11 three (3) days' notice to each director. Such notice shall
12 specify the time and place of the meeting and the nature of any
13 special business to be considered and shall also be posted in a
14 manner prescribed for notice of regular meetings.

15 Quorum

16 Section 6.03. A majority of the number of directors shall
17 constitute a quorum for the transaction of business. Every act
18 or decision done or made by a majority of the directors present
19 at a duly held meeting at which a quorum is present shall be
20 regarded as the act of the Board.

21 Open Sessions

22 Section 6.04. Regular and special meetings of the Board
23 of Directors shall be open to all Members of the Association
24 provided, however, that Association Members who are not on the
25 Board may not participate in any deliberation or discussion unless
26 expressly so authorized by the vote of a majority of a quorum of

1 the Board. The Board of Directors may, with the approval of a
2 majority of a quorum of its members, adjourn a meeting and
3 reconvene in executive session to discuss and vote upon personnel
4 matters, litigation in which the Association is or may become
5 involved, and orders of business of a similar nature. The nature
6 of any and all business to be discussed in executive session shall
7 first be announced in open session.

8 Place of Meetings

9 Section 6.05. The meetings of the Board of Directors
10 shall be held within the subdivision at such location as is set
11 forth in the notice.

12 ARTICLE VII. POWERS AND DUTIES OF THE BOARD 13 OF DIRECTORS

14 Powers

15 Section 7.01. The Board of Directors shall have power to

16 (a) Adopt and publish rules and regulations governing
17 the use of the Common Area and facilities, and the personal conduct
18 of the Members and their guests thereon, and to establish
19 penalties for the infraction thereof. Prior to imposing any
20 penalties, the accused person shall be given notice and opportunity
21 to be heard by the Board with respect to the alleged violations
22 before a decision to impose discipline is reached.

23 (b) Suspend the voting rights and the right to use of
24 the recreational facilities of a Member during any period in
25 which such Member shall be in default in the payment of any
26 assessment levied by the Association. Such rights may also be

1 suspended after notice and hearing for a period not to exceed
2 sixty (60) days for infraction of published rules and regulations

3 (c) Exercise for the Association all powers, duties and
4 authority vested in or delegated to this Association and not
5 reserved to the membership by other provisions of these Bylaws,
6 the Articles of Incorporation, or the Declaration.

7 (d) Declare the office of a member of the Board of
8 Directors to be vacant in the event such member shall be absent
9 from three (3) consecutive regular meetings of the Board of
10 Directors.

11 (e) Employ a manager, an independent contractor, or
12 such other employees as they deem necessary, and to prescribe
13 their duties.

14 (f) Enter upon any privately owned subdivision interest
15 as necessary in connection with the construction, maintenance
16 or emergency repair for the benefit of the Common Area or the
17 owners in common.

18 Duties

19 Section 7.02. It shall be the duty of the Board of
20 Directors to:

21 (a) Cause to be kept a complete record of all its acts
22 and corporate affairs and to present a statement thereof to the
23 Members at the annual meeting of the Members, or at any special
24 meeting when such statement is requested in writing by one-fourth
25 (1/4) of the Class A Members who are entitled to vote.

6 (b) Supervise all officers, agents, and employees of this

1 Association, and to see that their duties are properly performed

2 (c) As more fully provided in the Declaration, to:

3 (1) Fix the amount of the annual assessment against
4 each Lot at least thirty (30) days in advance of
5 each annual assessment period;

6 (2) Send written notice of each assessment to every
7 Owner subject thereto at least thirty (30) days in
8 advance of each annual assessment period;

9 (3) Foreclose the lien against any property for
10 which assessments are not paid within thirty (30)
11 days after due date or to bring an action at law
12 against the Owner personally obligated to pay the
13 same; and

14 (4) Issue, or to cause an appropriate officer to
15 issue, upon demand by any person, a certificate
16 setting forth whether or not any assessment has been
17 paid. A reasonable charge may be made by the Board
18 for the issuance of these certificates. If a
19 certificate states an assessment has been paid,
20 such certificate shall be conclusive evidence of
21 such payment.

22 (d) Cause financial statement for the Association to be
23 prepared and to be distributed to Members of the Association, as
24 follows:

25 (1) A pro forma operating statement (budget) for
26 each fiscal year shall be distributed not less than

sixty (60) days before the beginning of the fiscal year;

(2) A balance sheet as of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a Lot in the subdivision and an operating statement for the period from the date of the first closing to the said accounting date, shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of assessments received and receivable indentified by the number of the Lot and the name of the entity assessed; and

(3) A balance sheet as of the last day of the Association's fiscal year and an operating statement for said fiscal year shall be distributed within ninety (90) days after the close of the fiscal year; and

(4) In any fiscal year in which the gross income of the Association exceeds \$75,000 an external audit by an independent public accountant shall be made.

(e) Procure and contract for the Association, casualty, liability and other insurance on behalf of the Association.

(f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

(g) Cause the Common Area to be maintained.

(h) Pay the taxes and assessments which are, or could

1 become a lien on the Commona Area, or a portion thereof.

2 (i) Contract for goods or services for the Common Area,
3 facilities and interests or for the Association, subject to the
4 limitations set forth below.

5 (j) Delegate its powers to committees, officers or
6 employees of the Association as expressly authorized by the
7 covenants, conditions and restrictions, the articles of incorpora
8 tion or these bylaws.

9 Limitations on Powers and Duties of the
10 Board of Directors

11 Section 7.03. The Board of Directors of the Association
12 shall be prohibited from taking any of the following actions,
13 except with the vote or written assent of a majority of the
14 voting power of the Association, other than Declarant:

15 (a) Entering into a contract with a third person wherein
16 the third person will furnish goods or services for the Common
17 Area or the owners' Association for a term longer than one year
18 with the following exceptions:

19 (1) A management contract, the terms of which have
20 been approved by the Federal Housing Administration
21 or Veterans Administration.

22 (2) A contract with a public utility company if the
23 rates charged for the materials or services are
24 regulated by the Public Utilities Commission provided,
25 however, that the term of the contract shall not
26 exceed the shortest term for which the supplier will

1 contract at the regulated rate.

2 (3) Prepaid casualty and/or liability insurance
3 policies of not to exceed three years duration
4 provided that the policy permits for short rate
5 cancellation by the insured.

6 (b) Incurring aggregate expenditures for capital improv
7 ments to the common area in any fiscal year in excess of 5% of
8 the budgeted gross expenses of the Association for that fiscal
9 year.

10 (c) Selling during any fiscal year property of the
11 Association having an aggregate fair market value greater than
12 5% of the budgeted gross expenses of the Association for that
13 fiscal year.

14 (d) Paying compensation to members of the governing
15 body or to officers of the Association for services performed
16 in the conduct of the Association's business provided, however,
17 that the governing body may cause a member or officer to be
18 reimbursed for expenses incurred in carrying on the business of
19 the Association.

20 ARTICLE VIII. OFFICERS AND THEIR DUTIES

21 Enumeration of 22 Officers

23 Section 8.01. The officers of this Association shall be
24 a President and Vice-President, who shall at all times be member
25 of the Board of Directors, a Secretary, and a Treasurer, and such
26 other officers as the Board may from time to time by resolution

1 create.

2 Election of Officers

3 Section 8.02. The election of officers shall take place
4 at the first meeting of the Board of Directors following each
5 annual meeting of the Members.

6 Term

7 Section 8.03. The officers of this Association shall be
8 elected annually by the Board and each shall hold office for one
9 (1) year unless he shall sooner resign, or shall be removed, or
10 otherwise disqualified to serve.

11 Special Appointments

12 Section 8.04. The Board may elect such other officers a
13 the affairs of the Association may require, each of whom shall
14 hold office for such period, have such authority, and perform su
15 duties as the Board may, from time to time, determine.

16 Resignation and Removal

17 Section 8.05. Any officer may be removed from office
18 with or without cause by the Board. Any officer may resign at
19 any time by giving written notice to the Board, the president,
20 or the secretary. Such resignation shall take effect on the dat
21 of receipt of such notice or at any later time specified therein
22 and unless otherwise specified therein, the acceptance of such
23 resignation shall not be necessary to make it effective.

24 Vacancies

25 Section 8.06. A vacancy in any office may be filled by
26 appointment by the Board. The officer appointed to such vacancy

1 shall serve for the remainder of the term of the officer he
2 replaces.

3 Multiple Offices

4 Section 8.07. The offices of Secretary and Treasurer may
5 be held by the same person. No person shall simultaneously hold
6 more than one of any of the other offices except in the case of
7 special offices created pursuant to Section 8.04 of this Article.

8 Duties

9 Section 8.08. The duties of the officers are as follows:

10 President

11 (a) The President shall preside at all meetings of the
12 Board of Directors; shall see that orders and resolutions of the
13 Board are carried out; shall sign all leases, mortgages, deeds,
14 and other written instruments; and shall cosign all checks and
15 promissory notes.

16 Vice President

17 (b) The Vice-President shall act in the place and stead
18 of the president in the event of his absence, inability, or
19 refusal to act, and shall exercise and discharge such other duties
20 as may be required of him by the Board.

21 Secretary

22 (c) The Secretary shall record the votes and keep the
23 minutes of all meetings and proceedings of the Board and of the
24 Members; keep the corporate seal, if any, of the Association and
25 affix it on all papers requiring said seal; serve notice of
26 meetings of the Board and of the Members; keep appropriate current

1 records showing the Members of the Association together with
2 their addresses, and shall perform such other duties as required
3 by the Board.

4 Treasurer

5 (d) The Treasurer shall receive and deposit in appropri
6 bank accounts all moneys of the Association and shall disburse
7 such funds as directed by resolution of the Board of Directors;
8 shall sign all checks and promissory notes of the Association;
9 keep proper books of account; cause an annual audit of the
10 Association books to be made by a public accountant at the compl
11 tion of each fiscal year; and shall prepare the financial state-
12 - ments required by these Bylaws, and deliver a copy of each to th
13 Members.

14 ARTICLE IX. COMMITTEES

15 The Association shall when so empowered appoint an
16 Architectural Control Committee, as provided in the Declaration,
17 and a Nominating Committee, as provided in these Bylaws. In
18 addition, the Board of Directors shall appoint other committees
19 as deemed appropriate in carrying out its purpose.

20 ARTICLE X. BOOKS AND RECORDS

21 Records Subject to Inspection

22 Section 10.01. The membership register, books of account
23 and minutes of the meetings of members of the governing body,
24 and committees of the governing body shall be made available for
25 inspection and copying by any member of the Association, or his
26 duly appointed representative at any reasonable time and for a

1 purpose reasonably related to his interest as a member at the
2 office of the Association, or at such other place within the sub
3 division as the Board of Directors shall prescribe.

4 Reasonable Rules

5 Section 10.02. The Board of Directors shall establish
6 reasonable rules with respect to:

7 (a) Notice to be given to the custodian of the records
8 by the member desiring to make the inspection.

9 (b) Hours and days of the week when such an inspection
10 may be made.

11 (c) Payment of the cost of reproducing copies of
12 documents required by a member.

13 Inspection by Directors

14 Section 10.03. Every Director shall have the absolute right
15 at any reasonable time to inspect all books, records and documents
16 of the Association and the physical properties owned or controlled
17 by the Association. The right of inspection by a Director includes
18 the right to make extracts and copies of documents.

19 ARTICLE XI. ASSESSMENTS

20 As more fully provided in the Declaration, each Member
21 is obligated to pay to the Association annual and special assess-
22 ments which are secured by a continuing lien upon the property
23 against which the assessment is made. Any assessments which are
24 not paid when due shall be delinquent. If the assessment is not
25 paid within thirty (30) days after the due date, the assessment
26 shall bear interest from the date of delinquency at the rate of

1 ten (10) percent per annum, and the Association may bring an
2 action at law against the Owner personally obligated to pay the
3 same or foreclose the lien against the property, and interest,
4 costs, and reasonable attorney's fees of any such action shall be
5 added to the amount of such assessment. No Owner may waive or
6 otherwise escape liability for the assessments provided for
7 herein by nonuse of the Common Area or abandonment of his Lot.

8 ARTICLE XII. CORPORATE SEAL

9 The Association shall have a seal in circular form having
10 within its circumference the words: SEASONS COURT ASSOCIATION,
11 a Nonprofit Corporation, State of California.

12 ARTICLE XIII. AMENDMENTS

13 Section 13.01. These Bylaws may be amended, at a regular
14 or special meeting of the Members, by the affirmative vote (in
15 person or by proxy) or written consent of Members representing a
16 majority of a quorum of the Association which shall include a
17 majority of the votes of Members other than Declarant, or where
18 the two-class voting structure is still in effect, shall include
19 a majority of each class of Members. Notwithstanding the above,
20 the percentage of voting power necessary to amend a specific
21 clause or provision shall not be less than the prescribed percent-
22 tage or affirmative votes required for action to be taken under
23 that clause. The Federal Housing Administration or the Veterans
24 Administration shall have the right to veto amendments while there
25 is a Class B membership.

26 Section 13.02. In the case of any conflict between the

1 Articles of Incorporation and these Bylaws, the Articles shall
2 control; and in the case of any conflict between the Declaration
3 and these Bylaws, the Declaration shall control.

4 ARTICLE XIV. MISCELLANEOUS

5 The fiscal year of the Association shall begin on the
6 first day of January and end on the thirty-first day of December
7 of every year, except that the first fiscal year shall begin on
8 the date of incorporation.

9 IN WITNESS WHEREOF, we, being all of the directors of
10 the SEASONS COURT ASSOCIATION, have hereunto set our hands this
11 _____ day of _____, 19____.

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CERTIFICATION

I, the undersigned, do hereby certify:

That I am duly elected and acting secretary of the SEASONS COURT ASSOCIATION, a California corporation; and

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the ____ day of _____, 19__.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this ____ day of _____ 1979.

Secretary