

SECOND AMENDED AND RESTATED BYLAWS OF
SEA RIDGE CONDOMINIUM ASSOCIATION

ARTICLE I
NAME AND LOCATION

Section 1.1. Name of Association. The name of the association is Sea Ridge Condominium Association (the Association). The Association is a California non-profit mutual benefit corporation.

ARTICLE II
DEFINITIONS

Section 2.1. Declaration. Declaration shall mean and refer to the First Restated and Amended Declaration of Covenants, Conditions and Restrictions for Sea Ridge Condominium Association, as recorded in the Office of the County Recorder, County of Orange, State of California on Oct 14th, 2014, and as amended, supplemented, or modified from time to time.

Section 2.2. Majority of a Quorum. Majority of a Quorum means the vote of a majority of a quorum of the votes cast at a meeting or by ballot when the number of Members attending the membership meeting or the number of ballots cast equals or exceeds the quorum requirement specified in Article IX, Section 9.4.

Section 2.3. Open Meeting Act. Open Meeting Act shall refer to California Civil Code Sections 4900-4955, or any comparable superseding statute, regarding the right of members to attend Board meetings.

Section 2.4. Voting Power. Voting Power means those Members who are eligible to vote for the election of Directors or with respect to any other matter, issue, or proposal properly presented to the Members for approval at the time any determination of voting power is made.

Section 2.5. Other Definitions Incorporated by Reference. The terms defined in the Declaration shall have the same meaning when used herein unless the context clearly indicates a contrary intention.

Section 2.6. Civil Code References. The California Davis-Stirling Common Interest Development Act (the Act) was re-codified by Assembly Bill 805, effective January 1, 2014. The Civil Code Section reference(s) at each citation refer to the re-codified Civil Code Section(s) of the Act.

ARTICLE III
MEMBERSHIP

Section 3.1. Membership. The Association shall have one (1) class of voting membership.

Section 3.2. Suspension of Membership. Provided a Member is given notice of an opportunity to be heard by the Board of Directors, the voting rights and/or common area use privileges of such Member may be suspended by the Board of Directors if the Member is sixty (60) days or more delinquent in the payment of any Assessment, and such rights of a Member may also be suspended for a period not to exceed thirty (30) days for violation of any restriction contained within the Declaration or for any duly adopted rules and regulations established by the Board of Directors. Notice of a suspension hearing shall be delivered at least ten (10) days prior to the hearing date, and no suspension shall take effect any earlier than five (5) days after the hearing.

Section 3.3. Regulation. All Owners, tenants, or their employees, or any other person that might use the facilities of the Project in any manner, are subject to the regulations set forth in these Bylaws and in the Project Documents and to all reasonable rules enacted pursuant to the Declaration. Acquisition, rental, or occupancy of any Unit shall constitute acceptance and ratification of the provisions of all such rules and regulations.

Section 3.4. Emergency Contact Information. For purposes of communicating with an Owner in the case of an emergency, all Owners shall provide Association's managing agent with, and update from time to time as necessary, the name of the person(s) to contact in the event of an emergency, telephone number(s), and email address(es).

Section 3.5. Delivery of Documents Electronically. The Association shall be entitled to deliver documents to Owners by email, facsimile or other electronic means, subject to applicable laws, including California Civil Code Sections 4035-4055, California Corporations Code Section 20, or any later enacted statutes.

ARTICLE IV
BOARD OF DIRECTORS: SELECTION, TERM OF OFFICE

Section 4.1. Number. The affairs of this Association shall be managed by a Board of five (5) Directors, each of whom shall be a resident Unit Owner and who meet the qualifications in this Section 4.1. Only one (1) Owner per Unit shall be eligible to serve on the Board at any one time.

A. Candidacy Requirements. Members who meet the following criteria are qualified to be elected or appointed to the Board of Directors:

- i) The Member must not be more than sixty (60) days delinquent in the payment of any Assessment; and
- ii) At the time of the proposed election or appointment, the Member's privileges are not in suspension for violation of the Declaration or for violation of the rules and regulations as provided for within Section 3.2 of these Bylaws.

B. Incumbent Requirements. To remain qualified to serve on the Board of Directors following election or appointment, a Member who has been elected or appointed to the Board of Director must:

i) Not be more than sixty (60) days delinquent in the payment of any Assessment;
and

ii) Comply with the Declaration and the Rules and Regulations and correct, within such period of time as the Board may reasonably determine, any violation of the Declaration or the Rules and Regulations for which that Director has, following notice and hearing, been determined to be responsible.

iii) Pledge to act in accordance with the Code of Conduct/Ethics Policy (Section 4.6).

Subject to the provisions of the California Nonprofit Mutual Benefit Law, the Davis-Stirling Common Interest Development Act (Civil Code Sections 4000-6150, or any comparable superseding statutes) (Act) and any limitations contained in the Declaration relating to actions required to be approved by the Members, the business and affairs of the Association shall be vested in and exercised by the Association's Board of Directors.

Section 4.2. Election; Term. Directors are elected to serve two (2) year staggered terms, so that in alternate years the Members shall elect either three (3) or two (2) Directors. A Director elected or appointed to fill a vacancy shall hold office for the unexpired term of his or her predecessor. Unless there are insufficient nominees/candidates to fill existing vacancies at any election of Directors, after serving two (2) consecutive two year terms as a member of the Board of Directors or any portion thereof, a person must spend at least twelve (12) months off the Board of Directors before he or she may be eligible for election or appointment to the Board.

Section 4.3. Vacancies on Board of Directors. A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of any of the following: (i) the death, resignation, or removal of a Director pursuant to these Bylaws; (ii) an increase in the authorized number of Directors; or (iii) the failure of the Members, at any meeting of Members at which any Director or Directors are to be elected, to elect the number of Directors authorized to be elected at such meeting.

Except as provided in this subparagraph, any Director may resign, which resignation shall be effective on giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a Director is effective at a future date, the Board of Directors may elect a successor to take office when the resignation becomes effective.

The Board of Directors shall have the power to remove a Director and declare his or her office vacant if he or she: (i) has been declared of unsound mind by a final order of court; (ii) has been convicted of a felony; (iii) fails to attend three (3) consecutive regular meetings of the Board of Directors which have been duly noticed in accordance with California law; or (iv) ceases to meet any qualifications to election or appointment to the Board of Directors which were in effect at the time the Director was elected or appointed.

Section 4.4. Removal. One or more Directors may be removed from the Board, without cause, by a membership vote pursuant to California Corporations Code Section 7222 or any

comparable superseding statute. In the event of removal of a Director by the Members of the Association, the Director's successor shall be elected by the Members of the Association in accordance with the relevant provisions of the Corporations Code. In the event of death, resignation, or removal of a Director (other than removal by a vote of the Members of the Association), his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4.5. Compensation. No Director shall receive compensation for any service he/she may render to the Association in his or her capacity as a Director or Officer. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties if approved by the Board of Directors.

Section 4.6. Code of Conduct for Directors.

(a) The Ethics Policy is intended to provide guidance with ethical issues and a mechanism for addressing unethical conduct. Areas covered include:

- (i) Board Responsibility
- (ii) Professional Conduct related to (a) self dealing; (b) confidential information; (c) misrepresentation; (d) interaction with employees; and (e) proper decorum
- (iii) Dealing with Conflicts of Interest.

(b) No Director shall seek or accept from any entity, including other persons or companies, a gift, favor, entertainment, payment, or other item in exchange for an attempt by the Director to influence an Association decision. No Director or Committee Member shall vote on any matter where such person has a Conflict of Interest as set forth on Civil Code Section 5350.

ARTICLE V
MEETINGS OF DIRECTORS

Section 5.1. Organization Meeting of Directors. Immediately following each annual meeting of Members, or at the discretion of the newly elected Board of Directors at the next regularly scheduled meeting of the Board of Directors, the Board of Directors shall appoint the officers set forth within Article XI below.

Section 5.2. Location of Board Meetings. Board meetings which are open to the Members pursuant to Section 5.6 below shall be held on-site or at a location in reasonable proximity to the Project.

Section 5.3. Regular and Special Board Meetings. Regular meetings of the Board of Directors shall be held every month on such day and time as may be established by the Board. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days prior written notice to each Director and, as applicable, notice to the membership as set forth within Section 5.5 below.

Section 5.4. Manner of Giving Notice to Directors of Special Board Meetings. Notice of special meetings of the Board of Directors shall be delivered to each Director by first-class mail postage prepaid, personally, by telephone, including a voice messaging system or other system or

technology designed to record and communicate messages, facsimile, or electronic mail. The term delivery shall have the same meaning as defined within Civil Code Sections 4035-4055, or any comparable superseding statute.

Section 5.5. Notice of Board Meetings. With the exception of emergency meetings, all Members of the Association shall be given notice of the time and place of the Board meetings, including the agenda, in accordance with the Open Meeting Act. For purposes of this Section, an emergency meeting of the Board means a meeting called by the President or by any two Members of the Board under circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the Board in which of necessity make it impracticable to provide prior notice to the Members as required by the Open Meeting Act.

Section 5.6. Attendance by Members; Recording of Meetings. With the exception of Executive Sessions of the Board, any Member of the Association may attend meetings of the Board of Directors; provided, however, the non-Director Members may only participate in deliberations or discussions of the Board when expressly authorized by a vote of a majority of the Directors present at the meeting at which a quorum has been established or by the Board Member chairing the meeting. The term meeting as used herein has the same meaning as given in the Open Meeting Act.

The Board of Directors shall permit any Member to speak at any meeting of the Members or the Board of Directors, except for Board meetings that are held in Executive Session. Reasonable time limitations can be imposed by the Board or by the Chairman of the meeting regarding presentations or statements by Members and, in the case of Board meetings, the agenda of the meeting can designate a specific time for Member's statements and comments.

No person shall be permitted to make an audio or video recording of a Board meeting, or of any portion of a Board meeting, without the approval of a majority of the Directors who are present at the meeting.

Section 5.7. Executive Session. The Board, on the affirmative vote of a majority of the Directors present at a meeting at which a quorum has been established, shall be entitled to adjourn at any time for purposes of reconvening in Executive Session to discuss: (i) litigation in which the Association is or may become a party; (ii) matters relating to the formation of contracts with third parties; (iii) Member discipline; (iv) personnel matters; or (v) to meet with a Member, upon the Member's request, regarding the Member's payment of assessments as specified in Civil Code Section 5665, or any comparable superseding statute. Any matter discussed in Executive Session shall be generally noted in the minutes of the immediately following Board meeting that is open to the entire membership.

Section 5.8. Board Meeting Minutes. The minutes, minutes proposed for adoption that are marked to indicate draft status, or a summary of the minutes, of any meeting of the Board of Directors, other than minutes of an executive session, shall be available to the Members within thirty (30) days of the meeting. The minutes, proposed minutes, or summary minutes shall be distributed to any member upon request and upon reimbursement of the Association's costs in making that distribution as set forth within Civil Code Section 5205, or any comparable superseding statute.

Section 5.9. Quorum. A majority of the number of 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 Board.

Section 5.10. Action Without a Meeting. No action may be taken outside of a meeting, and the Board may not conduct a meeting via a series of electronic transmissions, including email, except to the extent permitted by the Open Meeting Act.

ARTICLE VI MEMBERSHIP VOTING, NOMINATION, AND ELECTION OF DIRECTORS

Section 6.1. Single Class of Membership. The Association shall have one (1) class of voting membership.

Section 6.2. Member Voting Rights. On each matter submitted to a vote of the Members, whether at a meeting of the membership called and held pursuant to the provisions of these Bylaws or otherwise, each Member shall be entitled to cast one (1) vote for each Unit owned by such Member. Single memberships in which two (2) or more persons have an indivisible interest shall be voted as follows: If more than one (1) person owns a Unit, all said persons shall be deemed to be one (1) Member for voting purposes. Any one of the multiple Owners shall be entitled to vote the membership unless the Secretary of the Association is notified in writing of the Owner who has been chosen by his or her Co-Owners as having the sole right to vote the membership on their behalf. If such notification does not occur and more than one of the multiple Owners votes a membership, the majority of such votes shall be the votes pertaining to said Unit. In the event of a "tie" vote, the vote for that unit shall not be counted.

Section 6.3. Eligibility to Vote. Only Members in good standing shall be entitled to vote at any membership meeting. In order to be in good standing, a Member must not be more than two (2) months delinquent in the payment of any Assessments levied against the Member's Unit and not be subject to any suspension of voting privileges as a result of any disciplinary proceeding conducted in accordance with these Bylaws. A Member's good standing shall be determined as of the date of the meeting at which the Member's vote is to be cast.

Section 6.4. Voting at Membership Meetings/Effect of Civil Code Sections 5105-5145 and Section 5135. With the exception of voting concerning assessments, recall or election of Board members, amendments to the Project Documents, or the grant of exclusive use of Common Area pursuant to Civil Code Section 4600 or any comparable superseding statute (collectively Secret Ballot Topics), voting at any membership meeting may be by voice or by ballot. Membership voting on Secret Ballot Topics shall be by Secret Ballot conducted as set forth within Civil Code Section 5105-5145 or any comparable successor statutes. Secret Ballots used in conjunction with Members voting on Secret Ballot Topics shall be mailed by first-class mail or delivery by the Association to each Member not less than 30 days prior to the deadline for voting (Civil Code Section 5115(a)). In the event of any inconsistency between these Bylaws and Civil Code Section 5105-5145 and Section 5135, or any comparable successor statutes, the Civil Code Sections shall control.

Section 6.5. Voting by Corporations Code Section 7513 Written Ballot Procedure. Any matter or issue requiring the vote of the Members, other than Secret Ballot Topics, may be submitted to vote by Written Ballot without the necessity of calling a meeting of the Members, so long as the requirements for action by Written Ballot set forth in this Section are met. A written ballot is a

ballot which is mailed or otherwise distributed to every Member entitled to vote on the matter and which complies with the requirements of this Section. The term Written Ballot does not include a ballot distributed at a meeting for purposes of conducting a vote of the Members at such meeting.

The determination to seek Member approval for Association actions in this fashion shall be made by a majority vote of the Board or by Members possessing five percent (5%) of the voting power of the Association signing a written request that a proposal be presented to the Members for a vote by Written Ballot and delivering this request to the President, Vice President, or Secretary of the Association. If a request for a vote by Written Ballot is received from the Members, the officer receiving the request shall cause notice to be properly given to the Members entitled to vote, in accordance with the meeting and notice provisions of these Bylaws, and the fact that a meeting will be held and the date, time, and purpose of such meeting, which date shall not be less than thirty-five (35) nor more than ninety (90) days following receipt of the request.

Section 6.6. No Proxy Voting. At all meetings of Members, Members otherwise eligible to vote at a meeting may do so in person or by ballot as permitted in sections 6.4 and 6.5 above. No proxy voting shall be allowed.

Section 6.7. No Cumulative Voting. Each member entitled to vote in any election of Directors shall have one (1) vote for each vacancy to be filled. Cumulative voting shall not be allowed.

Section 6.8. Election and Voting Rules. The Board of Directors shall adopt election and voting rules pursuant to Civil Code Sections 5105-5145, or any comparable successor statute.

ARTICLE VII POWER AND DUTIES OF THE BOARD OF DIRECTORS

Section 7.1. Powers. Without prejudice to the general powers of the Board of Directors, and subject to the limitations set forth within the Declaration, the Directors shall have the power to:

(a) Exercise all powers vested in the Board under the Project Documents and under the laws of the State of California, and perform all acts required of the Board under the Declaration;

(b) Adopt and publish rules and regulations as authorized by the Declaration and subject to the provisions of Civil Code Sections 4340-4370 or any comparable superseding statutes;

(c) Appoint and remove all officers of the Association;

(d) Employ a manager, an independent contractor, lawyer, accountant, or such other persons or entities as they deem necessary, and to prescribe their duties;

(e) Contract and pay for maintenance, landscaping, utilities, materials, and supplies and services relating to property under the Association's management and control in accordance with the Declaration, and to employ personnel reasonably necessary for the operation of the same;

(f) Contract for and pay premiums for fire, casualty, liability, and other insurance and bonds (including indemnity bonds) which may be required from time to time by the Association in compliance with the Declaration;

(g) Pay taxes and special assessments which are or would become a lien on the Common Area, and such other real property under the Association's management and control in accordance with the Declaration;

(h) Where appropriate, to pay for reconstruction of any portion or portions of the Common Area and such other real property under the Association's management and control in accordance with the terms of the Declaration, if damaged or destroyed and it is determined that such property will be rebuilt;

(i) Delegate its powers to the extent permitted by Corporations Code Sections 7210 and 7212 or any comparable superseding statutes;

(j) Levy and collect Assessments from the Members of the Association in accordance with the provisions of the Declaration;

(k) Prepare budgets and maintain a full set of books and records showing the financial conditions of the affairs of the Association in a manner consistent with generally accepted accounting principals and these Bylaws;

(l) Open bank and investment accounts and borrow money (subject to applicable restrictions in the Declaration) on behalf of the Association and designate the signatories to such bank accounts;

(m) Indemnify corporate agents pursuant to California Corporations Code 7237 or any comparable superseding statute; and

(n) To enter upon any privately owned Unit as necessary in connection with construction, maintenance, or emergency repair for the benefit of the Common Area or the Owners.

Section 7.2 Limitation on Board's Power

Except with the vote or written assent of a majority of the voting power of the Association, the Board shall be prohibited from taking any of the following actions:

(a) Incurring aggregate expenditures for capital improvements to the Common Area in any fiscal year, or sell any property of the Association with an aggregate fair market value, in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

(b) Paying compensation to the Directors or to Officers of the Association's business provided, however, that the Board may cause a Director or Officer to be reimbursed for expense incurred in carrying on the business of the Association.

(c) Entering into a contract with a third person wherein the third person will

furnish goods or services for the Common Area or the Association for a term longer than one (1) year with the following exceptions:

(i) A contract with a public utility company if the rates charged for materials or services are regulated by the Public Utilities Commission; provided, however, that the term of the contract shall not exceed the shortest term for which the supplier will contract at the requested rate;

(ii) Prepaid casualty and/or liability insurance policies if not to exceed three (3) years duration provided that the policy permits short rate cancellation by the insureds;

(iii) Agreements for cable television services and equipment, fiber optic services and equipment or satellite dish television services and equipment of not to exceed five years duration;

(iv) A contract for a term not to exceed three years that is terminable by the Association after no longer than one year without cause, penalty or other obligation upon ninety (90) days written notice of termination to the other party.

ARTICLE VIII COMMITTEES

In addition to the Architectural Committee appointed and constituted under the Declaration, the Board of Directors may appoint committees as deemed appropriate in carrying out its purposes, such as: Landscape, Common Area, Parking, Finance and Social Committees. The Board may adopt rules for the creation, appointment and governance of any committee not inconsistent with the provisions of these Bylaws.

No committee members shall seek or accept from any entity, including other persons or companies, a gift, favor, entertainment, payment, or other item in exchange for an attempt by the committee member to influence an Association decision.

ARTICLE IX MEETINGS OF MEMBERS

Section 9.1. Annual Meetings. A meeting of the Members shall be held each year at such time and place as may be designated by the Board in the notice of the meeting.

Section 9.2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote five percent (5%) of all of the votes of the entire Membership for any lawful purpose.

Section 9.3. 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 personal delivery, or by mailing a copy of such notice, postage prepaid, at least ten (10) days, but not more than ninety (90) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice, or if no such address shall have been furnished, then to the

street address of such Unit as the Member may own of record in the Covered Property. Such notice shall specify a reasonable place, day, and hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted and no other business may be transacted. All meeting notices shall in addition be posted in a conspicuous place on the Common Area as specified in the Association's Annual Policy Statement prepared in accordance with Civil Code Section 5310.

If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal:

- (1) removing a director without cause;
- (2) filling vacancies in the Board by the Members;
- (3) amending the Articles;

Member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s).

Section 9.4. Quorum. The presence at the meeting of the Members entitled to cast more than fifty percent (50%) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting without notice other than announcement at the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called at which meeting the presence of the votes of Members entitled to twenty-five percent (25%) of the votes shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. Except where a greater portion of the voting power is required by the Articles of Incorporation, Declaration, or these Bylaws, a majority of the voting power present by Secret Ballot, or in person shall prevail at all meetings.

ARTICLE X OFFICERS AND THEIR DUTIES

Section 10.1. Enumeration of Officers. The officers of this Association shall be a President, Vice President, who shall at all times be Members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 10.2. Appointment of Officers. The appointment of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members. Officers are subordinate to and serve at the pleasure of the Board of Directors. Officers that have not been elected as Directors-Board Members do not have voting rights.

Section 10.3. Term. The officers of this Association shall be appointed annually by the Board and each shall hold office for one (1) year unless he/she shall sooner resign, or shall be removed by the Board, or otherwise disqualified to serve.

Section 10.4. Special Appointments. The Board may appoint 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 Board may, from time to time, determine.

Section 10.5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, 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 10.6. Vacancies. A vacancy in any office may be filled in the manner prescribed for regular appointment. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 10.7. Multiple Offices. 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 10.4 of this Article.

Section 10.8. Duties. The duties of the officers are as follows:

President

(a) The President shall be appointed by the Board from among the Directors. He or she shall be the chief executive officer of the Association and shall, subject to the control of the Board, have general supervision, direction, and control of the affairs and officers of the Association. He or she shall preside at all meetings of the Board, and shall have the general powers and duties of management usually vested in the office of President of a corporation, together with such other powers and duties as may be prescribed by the Board or these Bylaws.

Vice President

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

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meeting of the Board and of the Members; keep, or cause to be kept, appropriate current records showing the Members of the Association together with their addresses, and shall perform such other duties as required by the Board. The Secretary may delegate any or all of these duties to others with the consent of the Board of Directors, including a managing agent.

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all promissory notes of the Association; keep proper books of account; cause an annual audit of the Association's books to be made by a public accountant at the completion of each

fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Membership in accordance with the provisions of the California Civil Code, Sections 5300-5320, or any comparable superseding statute. The Treasurer may cause others to carry out the acts set forth above (except affixing his/her signature) unless the Board determines to the contrary. The Treasurer may delegate any or all of these duties to others with the consent of the Board of Directors, including a managing agent.

ARTICLE XI
MEMBER ASSESSMENT OBLIGATIONS AND ASSOCIATION FINANCES

Section 11.1. Creation of the Lien and Personal Obligation of Assessments. By the Declaration each Member is deemed to covenant and agree to pay to the Association Assessments as set forth in the Declaration.

Section 11.2. Purpose of Assessments. The Assessments levied shall be calculated, levied, and collected in accordance with the provisions of the Declaration.

Section 11.3. Operating Account. There shall be established and maintained a cash deposit account to be known as the operating account into which shall be deposited the operating portion of all Assessments as fixed and determined for all Members. Disbursements from such account shall be for the general need of the Association's operations as provided for within the Declaration.

Section 11.4. Other Accounts. The Board shall maintain any other accounts that shall be deemed necessary to carry out its purposes including and in accordance with Civil Code Section 4177, or its successor statutes, and reserve accounts for the future maintenance, repair or replacement of major components which the Association is obligated to maintain, repair or replace. All Association books and accounts shall be maintained in accordance with generally accepted accounting principles.

Section 11.5. Budgets, Financial Statements, and Disclosures. The following financial statements and related information for the Association shall be regularly prepared and copies thereof shall be distributed to each Member of the Association:

(a) Budget. A pro forma operating budget meeting the requirements of Civil Code Sections 5300-5320, or any comparable successor statute shall be distributed to Members not less than thirty (30) days prior to the beginning of the fiscal year.

(b) Year End Report. Within one hundred twenty (120) days after the close of the fiscal year, a copy of the Association's year end report consisting of at least the following shall be distributed to the Members:

- (i) A balance sheet as of the end of the fiscal year.
- (ii) An operating (income) statement for the fiscal year.
- (iii) A statement of cash flows for the fiscal year.

(iv) A statement advising Members of the place where the names and addresses of the current Members are located.

(v) Any information required by Corporations Code Section 8322 or any comparable superseding statute (annual statement of transactions with interested persons and indemnification).

The annual report shall be prepared in accordance with generally accepted accounting principles by a licensee of the State Board of Accountancy for any fiscal year in which the gross income of the Association exceeds ten thousand dollars (\$10,000.00). If the annual report is not prepared by such a licensee, it shall be accompanied by the certificate of an authorized officer of the Association that the statement was prepared without an audit from the books and records of the Association.

(c) Annual Statement Regarding Delinquency/Foreclosure Policy. In addition to the financial statements, the Board of Directors shall annually distribute a statement describing the Association's policies and practices in enforcing its remedies against Members for defaults in the payment of Assessments, including the recording and foreclosure of liens against Members.

(d) Required Reserve Studies. At least once every three (3) years, the Board shall cause a study of the reserve account requirements to be conducted if the current replacement value of the major components which the Association is obligated to repair, replace, restore, or maintain is equal to or greater than one-half of the gross budget of the Association for any fiscal year. The Board shall also review any reserve study required hereunder on an annual basis and shall consider and implement necessary adjustments to the Board's analysis of the reserve account requirements as a result of that review. The reserve study required hereunder shall include the minimum requirements specified in Civil Code Section Sections 5500-5560, or comparable successor statute.

(e) Notification to Members Regarding Insurance Coverage. In accordance with Civil Code Sections 5300-5320, or any comparable superseding statute the Association shall prepare and distribute to its Members a summary of the general liability insurance and director's and officer's liability insurance maintained by the Association. The disclosure shall include the name of the insurer and the policy limits of the insurance. The Association's disclosure obligations may be satisfied by distributing to the Members a copy of the policy declaration page, so long as that page represents the information specified above. The summary information required by this Section shall be provided to each Member of the Association at the time of mailing the Association's annual budget or financial statement.

(f) Alternative Dispute Resolution (ADR) and Internal Dispute Resolution (IDR) Summary. On an annual basis, the Board shall provide each Member: 1) a summary of the provisions of Civil Code Sections 5925-5965, or any comparable superseding statutes, which specifically references Section 5965 and which includes the language required by Section 5965(a); and 2) a summary of Civil Code Sections 5900-5920 as required by Civil Code Section 5920, or any comparable superseding statute. This summary shall be provided either at the time the Association mails a copy of its annual budget or financial statement to the Members.

(g) Annual Policy Statement. The Board shall prepare and publish an Annual Policy Statement setting forth the information required by Civil Code Section 5310.

ARTICLE XII
BOOKS AND RECORDS

The Members' rights to inspect and copy Association records shall be governed by Civil Code Sections 5200-5240, or any comparable superseding statute.

ARTICLE XIII
AMENDMENTS

Section 13.1. These Bylaws may be amended by a vote of a Majority of the voting power of the Members.

Section 13.2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

CERTIFICATE OF SECRETARY

I am the duly elected and acting Secretary of SEA RIDGE CONDOMINIUM ASSOCIATION, a California nonprofit mutual benefit corporation, and I hereby certify that the foregoing Bylaws constitute the Second Amended and Restated Bylaws of said Association, as duly adopted by the members thereof on the 16th day of Sept., 2014, by secret ballot.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6th day of October 2014.

Secretary

CERTIFICATE OF SECRETARY

I am the duly elected and acting Secretary of SEA RIDGE CONDOMINIUM ASSOCIATION, a California nonprofit mutual benefit corporation, and I hereby certify that the foregoing Bylaws constitute the Second Amended and Restated Bylaws of said Association, as duly adopted by the members thereof on the 16th day of September, 2014, by secret ballot.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 6th day of October, 2014.

Hail Surubene
Secretary