

## RANCHO TIERRA GRANDE ASSOCIATION BY-LAWS

### ARTICLE I: PRINCIPAL OFFICE

The principal office for the transaction of the business of the corporation is as may be hereafter fixed and located by the Board of Directors, heretoeafter "the Board", in RANCHO TIERRA GRANDE, Carmel Valley, County of Monterey, and State of California. The Board of Directors may at any time or from time to time change the location of the principal office from one location to another in said county.

### ARTICLE II: MEMBERSHIP

#### SECTION 1: Qualification for Membership

(a) Those individuals, partnerships or corporations, who own an interest in or rent/lease a lot or lots in the Rancho Tierra Grande sub-divisions 1, 2, 3, and number 4, when developed, shall be eligible to become members of this association.

(b) An individual, partnership or corporation described in paragraph (a), herein immediately above, may become a member only upon requesting membership, either verbally or in writing, and upon paying dues as provided for in these by-laws, to this association.

#### SECTION 2: Annual Dues

(a) The amount of Annual Dues, and any changes thereto, shall be established by the Board and shall be payable by each member of this association, in advance. Should a member wish to have an additional vote by reason of the fact that such member is the owner of more than one "separately assessed parcel" of real property in the Rancho Tierra Grande sub-divisions, then such member shall pay an additional membership fee for each separately assessed parcel, which such member owns, and for which said member desires an additional vote, subject to the maximum number of votes as provided for in Section 3 of this Article.

(b) Owners or renters of established home sites, which encompass two or more separately assessed lots or parcels, may become a member upon the payment of the regular dues, notwithstanding the fact that such member may own more than one lot.

(c) Only one payment of dues shall be required for two or more individuals, partnerships or corporations who or which own or rent the same lot or lots in the Rancho Tierra Grande sub-divisions, upon requesting admission to membership. Voting rights will be restricted however to one vote as set forth in Section 3 of this Article. Thus, the intent of this provision is to permit, for example, a husband and wife both to become members of this association upon the payment of a single payment of dues. However, only one of such owners may vote at a meeting of this association.

#### SECTION 3: Voting Rights

(a) Each member (subject to the limitation of ARTICLE II, Section 2 (c) , will be entitled to one vote.

(b) A member shall be entitled to an additional vote for each additional separately assessed parcel or lot owned by such member, provided an additional annual payment of dues is paid by such member to this association for each such separately assessed parcel or lot. Thus, a husband and wife, for example, owning two separately assessed lots in the sub-divisions, desiring to have two votes, would be required to pay two annual membership fees.

(c) Members who are members by virtue of owning or renting the same lot or parcel must determine which member will cast the allowable vote or votes. If such members are unable to agree, no vote will be accepted from such member.

(d) Members who are owners and renters of the same parcel or parcels must determine, by mutual agreement, which member will exercise the vote or votes allowable. In the event of conflict, the association will accept the vote of whichever member paid the association dues, as being the valid and proper vote. However, the member/owner of a lot or parcel, may specify which member, either such member or the renter member, who will be authorized to vote based on such parcel or lot ownership, notwithstanding who paid the membership dues by delivering a letter containing such designation to the association's secretary at least 24 hours prior to the

taking of a vote on any particular matter submitted to the membership for a vote.

(e) Notwithstanding all of the provisions of this article, no individual, partnership, or corporation, may cast more than 10 votes, regardless of the number of parcels owned or dues paid.

#### SECTION 4: Meetings

(a) The annual meeting of the members of the association shall be held in April, each year, at a time and place designated by the Board. Written notice of such meeting shall be mailed to each member at least ten days in advance of such meeting date.

(b) A quorum at all membership meetings shall constitute and consist of members holding not less than fifteen (15) percent of the total possible votes of the members of the association at any meeting. A fifteen (15) percent quorum will apply to the election of officers and directors.

(c) If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the members, unless these by-laws or articles specifically require a greater number.

(d) Proxy vote shall not be permitted. However, this provision shall not become effective until the same has been approved by an affirmative vote of the members as required by Section 5613 of the California Corporations Code.

(e) Written ballots by mail shall be authorized for the taking of any action which may be taken at any regular or special meeting of the members, provided the provisions of the California Corporations Code, Section 5513 and in sections following, are complied with by the Board and/or the officers of this corporation.

(f) Special meetings of the members may be called at any time by a two thirds vote of the Board or as provided by California Corporations Code Section 5510 (e) which, among other things, provides that a special meeting of members for the purpose of removal of directors and election of their replacements may be called by 5% or more of the members.

#### SECTION 5: Liabilities and Property Rights of Members

No member of the corporation now or hereafter elected shall be personally liable to its creditors for any indebtedness or liability and any and all creditors shall look only to the corporation's assets for payment.

#### SECTION 6: Loss of membership status

RTGA Membership shall be lost by resignation, death, loss of membership qualification, or nonpayment of Annual Dues, which continues after a period of 30-days after written notice from RTGA of such delinquency.

### ARTICLE III: BOARD OF DIRECTORS

#### SECTION 1: Number of Directors

The Board shall consist of seven (7) members until changed by amendment to these by-laws, as hereinafter provided, and a majority of the Board shall constitute a quorum for the transaction of business.

#### SECTION 2: Powers of the Directors

Subject to the powers of the members as provided by law or as herein set forth, all corporate powers of the corporation shall be exercised by or under the authority of, and the business and affairs of the corporation shall be controlled by, the Board. Without limiting the generality of the foregoing, the Board shall have the following powers:

(a) To select and remove all the other officers, agents, and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, with Articles or Incorporation or the by-laws, fix the compensation of any employees and require from them security for faithful service.

(b) To conduct, manage and control the affairs and business of the corporation, and to make such rules and regulations therefore not inconsistent with law, with the Articles of Incorporation or the by-laws, as they may deem best.

(c) To change the principal office for the transaction of the business of the corporation

from one location to another within the same county; to designate any place within the County of Monterey for the holding of any members or directors meetings; to adopt, make and use a corporate seal and to alter the form thereof from time to time as in their judgment may deem best.

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

#### SECTION 3: Election of Directors and Terms of Office

Elections of Directors shall be held at each annual meeting of the members, to fill the positions of those Directors who have completed their 2-year term. Directors shall hold office, until their respective successors are elected. Each member of the Board shall serve for a 2-year staggered term, except that the first Board of Directors, named in the Articles Of Incorporation of this corporation, shall serve only until the next Annual Meeting of Members.

#### SECTION 4: Vacancies

Any vacancy or vacancies in the Board resulting from death, incapacity, resignation, expiration of term of office, removal, or otherwise, shall be filled by appointment by the remaining Directors or Director then in office even though less than a quorum.

#### SECTION 5: Place of Meeting

Regular meetings of Board shall be held any place within the County of Monterey, which has been designated from time to time by resolution of the Board or by written consent of all members of the Board. Special meetings of the Board may be held at the call of the president or any two board members at a place within the County of Monterey designated by the individual or individuals calling the special meeting.

#### SECTION 6: Organization Meeting

Within seven (7) days of each annual meeting of members, the Directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of both such meetings is hereby dispensed with. For the purpose of continuity, outgoing members of the Board shall attend the first regular meeting of the newly elected Board of Directors.

#### SECTION 7: Other Regular Meetings

Other regular meetings of the Board shall be held quarterly, at a time, place, and date agreeable to a quorum of the Board. Notice of all such regular meetings of the Board is hereby dispensed with. In absence of special notice of the place of regular meetings they shall be held at the home of the president.

#### SECTION 8: Special Meetings

Special Meetings of the Board may be called by the president, or by the secretary at the direction of the president, by giving notice to the Directors at least 24 hours prior to such meeting.

Written notice of the time and place of special meetings shall be delivered personally to each Director or sent to each Director by mail or by other form of written communication, at his/her address or place of residence, at least 24 hours prior to the time of the holding of the meeting.

The transactions of any meeting of the Board however called and noticed and wherever held, shall be as valid as though held at a meeting duly held after regular call and notice, if a quorum be present and if either before or after the meeting each of the Directors not present signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

#### SECTION 9: Adjournment

In the absence of a quorum at any meeting of the Board, the majority of the Directors present shall adjourn the meeting until the time fixed for the next regular meeting of the Board. Notice of the time and place of holding an adjourned meeting must be given to all absent

Directors if the time and place be fixed at the meeting adjourned.

*SECTION 10: Removal*

A Director may be removed from office for cause by a vote of the majority of the Directors. Missing three consecutive meetings without consent of the Board shall be cause for removal.

*SECTION 11: Compensation*

The Directors shall receive no compensation for their services as such.

**ARTICLE IV: OFFICERS**

*SECTION 1: Officers*

The officers of this corporation shall be a president, vice-president, secretary and treasurer, and such other officers as the Board may appoint. When the duties do not conflict, one person other than the president may hold more than one of these offices.

Officers other than the president need not be members of the Board.

*SECTION 2: Election*

The Board shall elect all officers of the corporation for terms of one year or until their successors are elected and qualified.

*SECTION 3: Vacancies*

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board.

*SECTION 4: President*

Subject to the control of the Board, the president shall have general supervision, direction and control of the business and affairs of the corporation. The president shall preside at all meetings of the members and Directors and shall have such other powers and duties as may be prescribed from time to time by the Board.

*SECTION 5: Vice-President*

In the absence or disability of the president, the vice-president shall perform all the duties of the president and in so acting shall have all the powers of the president. The vice-president shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

*SECTION 6: Secretary*

The secretary shall keep a full and complete record of the proceedings of the Board, shall keep the seal of the corporation if any, and affix the same to such papers and instruments as may be required in the regular course of business, shall make service of such notices as may be necessary or proper, shall supervise the keeping of the books of the corporation, and shall discharge such other duties as pertain to the office or as prescribed by the Board. Within the discretion of the Board, the secretary may be granted an allowance to cover expenses incurred by the secretary in carrying out its duties.

*SECTION 7: Treasurer*

The treasurer shall receive and safely keep all funds of the corporation and deposit the same in such bank or banks as may be designated by the Board. Such funds shall be paid out only on the check of the corporation, signed by the president or vice-president or the treasurer or secretary or by such officers as may be designated by the Board as authorized to sign the same. The treasurer shall have such other powers and perform such other duties as may be prescribed from time to time by the Board. The Vice-president will be provided with a copy of each cancelled check and bank statement.

**ARTICLE V: AMENDMENT OF BY-LAWS**

These by-laws may be amended or repealed and new by-laws adopted by the vote of a majority of the members of the Board at any Directors meeting except that written notice of the amendment proposed must be given to all members of the Board at least ten days prior to the meeting of the Board at which such amendment is to be acted upon. A by-law fixing or changing the number of Directors, however, may be adopted, amended or repealed only by the

written consent of a majority of the members of the corporation, or by a majority vote at either a regular or special meeting of those members present.

**ARTICLE VI: MISCELLANEOUS**

*SECTION 1: Inspection of By-Laws*

The corporation shall keep in its principal office the original or a copy of these by-laws as amended or otherwise altered to date, certified by the secretary, which shall be open to inspection by all members of the corporation at all reasonable times during office hours.

*SECTION 2: Construction*

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California General Non-Profit Corporation Law shall govern the construction of these by-laws.

*SECTION 3: Rules of Order*

The rules contained in Robert's Rules of Order, revised, shall govern all meetings, Directors, and Directors meetings of the corporation, except in instances of conflict between said rules of order and the Articles or by-laws of the corporation or provisions of law.



**RANCHO TIERRA  
GRANDE ASSOC.**

**BY-LAWS**

Revised in 2001