



Secluded Valley Homeowners Association
PO Box 1441
Lafayette, CA 94549-1441

By-Laws of the Secluded Valley Homeowner's Association

Article I

Name and Location: The name of the Corporation is SECLUDED VALLEY HOMEOWNER'S ASSOCIATION, hereinafter referred to as the "Association." The principal office of the Corporation is 31 Park View Ct., Walnut Creek, California, but meetings of Members and Directors may be held at such places within the State of California, County of Santa Clara, County of Contra Costa as may be designated by the Board of Directors.

Article II **Definitions**

Section 1: "Association" shall mean and refer to Secluded Valley Homeowner's Association, its successors and assigns.

Section 2: "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 hereinafter be bought within the jurisdiction of the Association.

Section 3: "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4: "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 5: "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title in any Lot which is part of the Properties, including contract sellers, but excluding those having such interest

merely as security for the performance of an obligation.

Section 6: “Declarant” shall mean and refer to ENVAR Lafayette Company, a co-partnership, its successors and assigns if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7: “Declaration” shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the office of the County Recorder of Contra Costa County.

Section 8: “Member” shall mean and refer to those persons entitled to membership as provided in the Declaration.

Article III

Membership and Voting Rights

Section 1: Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject to covenants of record to assessment by the Association, including contract sellers, shall be Members of the Association. The foregoing is not intended to include persons or entities having such interest merely as security for the performance of an obligation.

Section 2: The Association shall have two classes of voting membership, as follows:

Class A: Class A Members shall be all owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they be cast with respect to any Lot.

Class B: The Class B Member (s) shall be the Declarant (as defined in the Declaration), and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes in the Class B membership; or
- (b) two years from the date of the most recent Public Report for
- (c) phase of the overall development; or

on October 15, 1976.

Article IV

Meeting of Members

Section 1: Annual Meetings- The first Annual Meeting of the Members shall be held within one year from the date of incorporation of the Association or not later than 30 days after 51% of the Lots have been sold, whichever occurs first. Subsequent regular Annual Meetings of the Members shall be held on the same day of the same month of each year thereafter. If the day for the Annual Meeting of the Members is a legal holiday, the meeting will be held on the first day following which is not a legal holiday.

Section 2: Special Meetings- Special Meetings of any kind may be called by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-half (1/2) of all the votes of the Class A membership.

Section 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 mailing a copy of such notice, postage prepaid, at least 15 days but not more than 30 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. Such notice shall specify the place, day and hour of the meeting, and in case of a special meeting, the purpose of the meeting.

Section 4: Quorum- The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, fifty (50%) percent of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration or these By-Laws. 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 from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5: Proxies- At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the

Member of his/her Lot.

Article V

Board of Directors: Selection: Term of Office

Section 1: Number- The affairs of this Association shall be managed by a Board of six (6) Directors, who need not be Members of the Association. The number of Directors may be changed by amendment of the By-Laws of the Association.

Section 2: Term of Office- at the first annual meeting, the Members shall elect two Directors for a term of one year, two Directors for a term of two years, and two Directors for a term of three years. At each annual meeting thereafter the Members shall elect two Directors for a term of three years.

Section 3: Removal- Any Director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a Director, his successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor.

Section 4: Compensation- No director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5: Action Taken Without a Meeting- The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Article VI

Nomination and Election of Directors

Section1: Nomination- Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations can also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board of Directors, or two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such Annual Meeting until the close of the next Annual Meeting. Such

Appointment shall be announced at each Annual Meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are able to be filled. Such nominations may be made from among Members or Non-Members.

Section 2: Election- Election to the Board of Directors shall be by secret ballot. At such election, the Member or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provision of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is permitted.

Article VII

Meetings of Directors

Section 1: Regular Meetings- Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2: Special Meetings- 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-notice to each Director.

Section 3: Quorum- A majority of the Members of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the action of the Board.

Article VIII

Powers and Duties of the Board of Directors

Section 1: Powers- The Board of Directors shall have the power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Area and Facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the

infraction thereof;

- (b)** Suspend the voting rights and right to use the Common Area of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and a hearing, for a period not to exceed 30 days from infraction of the published rules and regulations;
- (c)** Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserve to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- (d)** Declare the office of a Member of the Board of Directors to be vacant in the event such Member shall be absent from three (3) consecutive regular meetings of the Board of Directors to:
- (e)** Employ an Office Manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2: Duties- It shall be the duty of the Board of Directors to:

- (a)** Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to Members at the Annual Meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;
- (b)** Supervise all Officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c)** As more fully provided in the Declaration, to:
 - 1) Fix the amount of annual assessment against each
 - 2) Send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - 3) Foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same; and
 - 4) Once a year record a list of delinquent assessments as of

December 31st of the preceding year.

- (d) Issue, or cause an appropriate Officer to issue, up a demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) Procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) Cause all Officers or employees having fiscal responsibilities to be bonded, as it may deem to be appropriate;
- (g) Cause the Common Area to be maintained.

Article IX

Officers and Their Duties

Section 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 Treasurer and such other Officers as the Board may from time to time by resolution create.

Section 2: Election of Officers- The election of Officers shall take place at the first meeting of the Board of Directors following each Annual Meeting of the members.

Section 3: Term- The Officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4: Special Appointments- The Board may elect such other Officers as the affairs of the Association may require each of whom shall hold office for such a period, have such authority and perform such duties as the Board may from time to time determine.

Section 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 giving written notice to the Board President or 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 6: Vacancies- A vacancy in any office may be filled by appointment by the Board. The Officer appointed to such vacancy shall serve for the remainder of the term of the Officer he replaces.

Section 7: Multiple Offices- The offices of Secretary and Treasurer may be held by the same person. 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 4 of this Article.

Section 8: Duties- The duties of the Officers are as follows:

President

- (a) The President shall preside at all meetings of the Board, sign all leases, mortgages, deeds and other written instruments that shall be carried out; shall co-sign all checks and promissory notes.

Vice President

- (b) The Vice President shall act in the place of the President in the event of his absence, inability to act, and shall exercise and discharge such other duties as may be required of him 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; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses and shall perform such other duties as required by the Board.

Treasurer

- (d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such as directed by

resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association 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 at its regular Annual Meeting, and deliver a copy of each to the other Members within thirty (30) days.

Article X **Committees**

The Association shall appoint an Architectural Committee, as provided in the Declaration and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

Article XI **Books and Records**

The books, records and papers of the association shall, at all times, during regular business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation and By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

Article XII **Assessments**

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at a rate of eight (8%) percent per annum, and the Association may bring an action at law against the owner personally obligated to pay the same or foreclose a lien against the property, shall be added to the

amount of such assessment. No owner may waive or otherwise escape liability for the assessments provide for herein by nonuse of the Common Area or abandonment of his lot.

Article XIII
Corporate Seal

The Association shall have a seal in circular form having its within its circumference the words: SECLUDED VALLEY HOMEOWNER'S ASSOCIATION.

Article XIV
Amendments

Section 1: These By-Laws may be amended, at a regular or special meeting of the Members, by a vote of a majority of a quorum of each class of Members present in person or by proxy.

Section 2: In the case of any conflict between the Articles of Incorporation and these By-Laws, The Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.