

BYLAWS OF MESA VERDE COMMUNITY, INC.

I. MEETINGS OF MEMBERS.

1. LOCATION:

All meetings of the members shall be held in Costa Mesa, Orange County, California, at such date and time as may be designated and agreed upon by the Board of Directors hereinafter referred to as the "Directors".

2. ANNUAL MEETING:

The annual meeting of the members of this corporation shall be held on a business day (Monday through Friday) evening during the month of February on such date and time as may be designated and agreed upon by the "Directors".

3. SPECIAL MEETINGS:

Special meeting of the members may be called by the President, or by a majority of the Directors, or by a petition signed by not less than seventy (70) members. Notice of special meeting must be given to members at least ten (10) business days prior to the date of the Special meeting.

4. NOTICE OF MEETINGS:

Notices of meetings, regular or special shall be given in writing to all members by the President, Secretary, or members calling for such meeting by petition, at least (10) ten calendar days prior to meeting, and shall state the general nature of the business to be transacted, date, place and time of the meeting called. Notice is given when deposited in mail, first class, to member's last address of record given to the corporation.

5. QUORUM:

Those members present, in person or by lawful proxy representative, shall constitute a quorum at all meetings of the members for the transaction of business, except as otherwise provided by law or in these bylaws.

6. VOTING RIGHTS, RECORD DATE & PROCEDURE:

Only persons whose names appear on the membership records of the corporation on the day of any meeting of members and who are resident real property owners in Mesa Verde and not delinquent in their dues shall be entitled to vote at such meeting.

Record date for notices or voting.

Unless fixed by the Directors, the record date to determine those members entitled to receive notice of, or to vote at, a meeting of members, shall be the business day preceding the day on which notice is given. Or, if notice is waived, the business day preceding the day on which the meeting is held.

Voting shall be by acclamation unless the chairman of the meeting designates some other method of voting; provided, however, that the members at any meeting may by majority of the members present or there represented by lawful proxy require a written or secret ballot of those entitled to vote upon any issue to be voted at said meeting.

7. DETERMINATION:

All matters brought before the corporation shall be considered adopted or rejected when determined by a majority vote of those present or represented by lawful proxy at any regular or special meeting of the members.

8. PROXIES:

Every member entitled to vote may do so either in person or by written proxy, executed in accordance with the Corporation Code of California, and filed with the Secretary or delivered by a Director of this corporation to the President or other presiding officer at the meeting where the vote on the Directors or business for which purpose the proxy is tendered is to be taken.

A proxy shall be deemed signed if the member's name is placed on the proxy (either by manual signature, typewriting, telegraphic transmission, or otherwise) by the member or the member's attorney in fact. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the member executing it, before the vote cast pursuant to that proxy, by a writing delivered to the corporation stating that the proxy is revoked by a subsequent proxy executed by such member, or by personal attendance and voting at a meeting by such member, or (ii) written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven months from the date of the proxy, unless otherwise provided in the proxy. The provisions of the California Nonprofit Corporation Law shall govern the revocability of a proxy that states on its face that it is irrevocable.

Any action that may be taken at any annual or special meeting of members

may be taken without a meeting and without prior notice if written ballots are received from a number of members at least equal to the majority of the members per the corporation's records. All such written ballots shall be filed with the secretary of the corporation and maintained in the corporate records. All solicitations of ballots shall indicate the time by which the ballot must be returned to be counted.

II. DIRECTORS & MANAGEMENT.

1. POWERS, CONTRACTS/AGENCY AUTHORITY:

Subject to these bylaws and California law as to the action to be authorized and approved by the members, all powers of the corporation shall be exercised by or under the authority of, and business and affairs of this corporation shall be controlled by a Board of Directors, herein designated Directors, at the direction of the membership. No Director shall receive compensation for services as a Director.

A. The Directors may authorize any officer (s), agent (s) to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or specific. Unless so authorized, no agent, officer, or employee shall have the power to bind the corporation by any contract or engagement, or to pledge its credit or to render it liable for any purpose or to any amount.

B. The Directors may not incur debt on behalf of the corporation in excess of \$1,500.00.

C. Disbursement of checks in excess of \$500.00 requires 2 authorized signatures. Unless otherwise determined by a majority of the Directors, the necessary authorized signatures to disburse checks shall be the Treasurer and the President. If the President is unavailable then authority is granted to the 1st Vice-President, and 2nd Vice-President.

2. NUMBER & QUALIFICATION:

The Board of Directors shall be composed of a minimum twelve (12) members, and a maximum of seventeen (17) members of the corporation. The term for Directors shall be two (2) years, with eight (8) Directors terms to expire in odd years, and nine (9) in even years.

3. NOMINATIONS:

(a) Nominating committee. The President shall appoint a committee to select qualified candidates for election to the board of directors at least thirty (30) days before the date of any election of Directors. The nominating committee shall make its report at least fifteen (15) days before the date of the election, and the secretary shall forward to each member, with the notice of meeting required, a list of candidates nominated, by office.

(b) Nominations by members.

Members may nominate candidates for directorships at any time before the fifteenth day preceding such election. On timely receipt of a petition signed by members, the secretary shall cause the names of the candidates named on it to be placed on the ballot along with those candidates named by the nominating committee.

(c) Nominations from the floor.

If there is a meeting to elect Directors, any member present at the meeting, in person or by proxy (if proxies are permitted), with a second, may place names in nomination.

4. APPOINTMENT:

Directors shall be elected by the membership at the Annual Meeting on the basis of one (1) vote per member for each of the Directors to be elected. Voting is non-cumulative for any Director. Nominees for Director receiving the highest number of votes shall be elected.

5. VACANCIES:

Vacancies on the Board shall be filled by an appointee of the majority of the constituted Directors, to serve the unfulfilled term of the vacant Director. A vacancy shall be deemed to exist in the case of death, resignation, removal of any Director, the non attendance of any Director at three (3) consecutive Directors meetings, or if the members increase the authorized number of Directors. No reduction in the number of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office.

6. QUORUM:

A majority of the Directors present at any legal Directors meeting constitutes a quorum. Unless otherwise provided herein, a quorum majority vote prevails regarding any Board business. Directors may submit majority or minority reports to the President upon matters that they deem advisable.

7. REMOVAL:

The entire Board or any individual Director may be removed from office by a

majority of votes, cast by a ballot of the membership present or represented by lawful proxy at a special meeting called for this purpose.

8. MEETING PLACE/DATE:

The Directors shall meet at the office of the corporation, or elsewhere as designated by the President with concurrence of a quorum majority of the Directors with notice, of said meeting given each Director in writing, by telephone or personal contact at least five (5) business days prior to said meeting. Notice may be given to a person reasonably expected to communicate such notice promptly to the Director. A quorum majority shall hold regular meetings of the Directors at least bi-monthly, on a business day as designated by the President with concurrence. The annual organizational meeting of the Directors, at which officers are elected, shall be held on a business day, during the month of February designated by the President with concurrence of a majority of the Directors. Special meetings of the Directors may be called by the President or by not less than a majority of the Directors.

9. VALIDITY OF DIRECTORS MEETINGS & TRANSACTIONS:

The transactions of any meeting of the Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if **(a)** a quorum is present, and **(b)** either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

10. RECORDS:

The Secretary shall keep a record of all meetings of the Directors as designated minutes, or other appointed by the presiding officer at any meeting at which the Secretary is not present.

11. RESIGNATIONS:

Any Director may resign by giving written notice to the President or Secretary or to the corporation at a regular or special meeting of the Directors.

III. OFFICERS.

1. OFFICERS:

The officers shall be a President, First Vice-President, Second Vice-President, Secretary, and Treasurer, elected by the Directors from among the Directors, and shall hold office for a one (1) year term, and according to these bylaws.

2. VACANCIES:

A vacant officer shall be filled by election by the Directors at the meeting following the vacancy, with the elected officer to serve the unfulfilled term of his or her predecessor. A vacancy shall be deemed to exist as defined by a Director. The First Vice-President, whose office shall then be filled as aforesaid, shall fill a vacancy of the President.

3. RESIGNATIONS:

Any officer may resign by giving written notice to the President or Secretary or to the corporation at a regular or special meeting of the Directors.

IV. RECORDS & REPORTS.

1. SECRETARY, RECORDS & REPORTS:

The Secretary shall maintain adequate books and records of the business of the corporation, including minutes of all the Board meetings. All such records shall be kept at the principal place of business of the corporation, or as otherwise designated by the Directors. Records include articles of incorporation, bylaws with amendments; also the membership list.

Book of minutes. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Directors may direct, a book of minutes of all meetings and actions of Directors, committees of Directors, and members, with the time and place of holding, whether- regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, the number of members present or represented at members meetings, and the proceedings of such meetings.

Membership Records. The Secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the Directors, record of the corporate members showing the names of all members, and their

addresses.

2. COPIES OF BYLAWS:

The Secretary shall distribute copies of the bylaws, including all amendments, to reasonably assure that each Director has a current copy with amendments. Also, any member may receive same from the Secretary upon request.

3. TREASURER BOOKS & RECORDS:

The Treasurer shall maintain adequate books and records including bank statements, of the funds and assets of the corporation. All such books and records shall be kept at the principal place of business of the corporation, or as otherwise designated by the Directors.

4. ANNUAL REPORT:

An annual report of the receipts, expenditures & balance of funds, together with a balance sheet of other assets & liabilities, of the corporation shall be made to the membership at the Annual Meeting. The President or other Directors may audit such report, prepared by the Treasurer.

5. INSPECTION:

All bylaws, books, records & reports of the corporation shall be open to reasonable inspection by the Directors or members of the corporation at any regular or special meeting of the Directors, or upon (15) fifteen business days prior receipt of written notice by the Secretary from any member.

V. MEMBERSHIP & DUES.

1. MEMBERSHIP:

Any resident owner of residential real property situated within the Mesa Verde boundaries, and as such boundaries may be fixed from time to time by the Directors, in the City of Costa Mesa, shall be eligible for membership in this corporation. Any eligible person may become a member by registering his or her name, address, parcel of property or ownership & residence, with the President, Secretary or Treasurer, and by paying the annual dues for the year. One paid membership allows one vote per household. Additional residents residing in the same household may pay additional yearly dues to obtain voting privileges.

2. DUES:

Each member household shall pay annual dues of twelve (\$12.00) dollars and renewal dues of ten (\$10.00) dollars, or as may be fixed from time to time by the Directors, on a calendar- year basis, without pro-ration for partial year membership. No assessments shall be levied against any member. Non-payment of dues results only in loss of membership. The corporation Treasurer may accept voluntary contributions from members and others for carrying on the work of the corporation. No contributions shall be accepted from any source outside of the membership o-f the corporation without the approval of a majority of the Directors.

3. TRANSFER & TERMINATION:

Membership is not transferable and ceases at the members' death. Membership is terminated for nonpayment of current annual dues by March 31 of each year, and may be reinstated by paying current year dues. A member may terminate membership at any time by written resignation filed with the Secretary. No dues will be refunded due to resignation. The Directors by majority vote may terminate a membership of a member that has failed in a material and serious degree to observe the rules of conduct governing this corporation as established by these bylaws or the Directors.

4. PROCEDURE FOR EXPULSION:

Following the determination that a member should be expelled per above, the following procedure shall be implemented:

(a) A notice shall be sent by mail by prepaid, first-class, or registered mail to the most recent address of the member as shown on the corporations records, setting forth the expulsion and reason therefore. Such notice shall be sent at least fifteen (15) days before the proposed effective date of the expulsion.

(b) The member being expelled shall be given an opportunity to be heard, either orally or in writing, at a hearing to be held not fewer than five (5) business days before the effective date of the proposed expulsion. A special member expulsion committee composed of not less than three (3) Directors appointed by the Board will hold the hearing. The notice to the member of his proposed expulsion shall state the date, time and place of the hearing of proposed expulsion.

(c) Following the hearing, the expulsion committee shall decide whether or not the member should in fact be expelled, suspended, or sanctioned in some other way. The decision of the committee shall be final.

(d) Any person expelled from the corporation shall receive a refund of dues or assessments already paid. The refund shall be prorated to return only the balance remaining for the period of the dues payment.

VI. ORDER OF BUSINESS & RULES OF ORDER.

1. ORDER OF BUSINESS:

- a) Call to order; b) reading of minutes of previous meeting, with corrections/additions (if any) and approval; c) bill submission, reading of communications, etc.; d) Business, old and new, per agenda prepared by President or other presiding officer. [Any Director may submit items for the agenda.] e) Director, committees, outside expert report as requested by Directors. f) Adjournment.

1. RULES OF ORDER:

Rules and regulations not covered by these bylaws shall be guided by Roberts Rules of Order, with the Secretary appointed Parliamentarian, unless another is designated by majority of the Board.

VII. CORPORATE SEAL.

The corporation shall have none.

VIII. .AMENDMENT TO BYLAWS.

1. BY MEMBERS:

New bylaws may be adopted or existing bylaws repealed or amended at any meeting of the members called for that purpose, per these bylaws, by a majority vote of the members present or represented by lawful proxy at said meeting.

2. BY DIRECTORS:

The Director's may adopt, amend or repeal any bylaw by affirmative vote of a majority of the Directors.

3. RECORD OF AMENDMENTS:

Whenever an amendment or new bylaw is adopted, it shall be copied in the Book of Bylaws with the original Bylaws, in the appropriate section. If any bylaw is repealed, the fact of repeal with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in said Book.