

# **BYLAWS OF HILLCREST ESTATES IMPROVEMENT ASSOCIATION, INC.**

## **ARTICLE 1. OFFICES**

### **Principal Office**

Section 1.01. The principal office, of the corporation for the transaction of its business is located in the County of Alameda, California.

## **ARTICLE 2. MEMBERSHIP AND DUES**

### **Classes of Membership**

Section 2.01. Subject to the provisions of Section 3.07, the rights, interests and privileges of all members in the corporation are equal.

### **Qualifications for Membership**

Section 2.02. An owner of record of any parcel of land contained in Hillcrest Estates, Skyline Terrace, or Skyline Estates, as defined in Section 10.01, shall be entitled to be a member of the Association; subject to the following qualifications:

(a) Dues for the current calendar year are paid as set forth in Section 2.03.

(b) The ownership of title to any parcel or any interest therein, either legal or equitable, held as security for the payment or performance of an obligation or act shall not be the basis for membership in the Association.

(c) A purchaser, and not the seller under a contract of sale covering a parcel, the ownership of which parcel would qualify one for membership in the Association, may only qualify for such membership if such contract is recorded and only so long as such contract is in effect.

(d) When a parcel is owned of record in any form of co-ownership such as joint tenancy, tenancy in common, or community property, the membership as to such parcel shall be joint and the right to such membership, including the voting power arising therefrom, shall be exercised only by the joint action of all owners of record.

(e) Membership in the Association shall terminate when a member shall cease to be the owner of record of a parcel of land contained in the Hillcrest Estates, Skyline Terrace or Skyline Estates.

(f) Membership in the Association shall be non-transferable except as a part of and in connection with a sale or transfer of record of a parcel contained in the Hillcrest Estates, Skyline Terrace or Skyline Estates.

#### Dues and Assessments

Section 2.03. Annual dues in such amounts as may be determined from time to time by resolution of the Board of Directors are due and payable by January 15th for the applicable calendar year. Assessments shall be levied only with the approval, by majority vote of the membership at a regular, or duly noticed special meeting. The purpose for which such assessments shall be levied must be clearly defined.

### ARTICLE 3. MEETINGS OF MEMBERS

#### Annual Meetings

Section 3.01. Members shall meet annually at such time and place as shall be fixed by the Board of Directors for the purpose of electing the Directors and transacting such other business as may come before the meeting, provided, however, that if the Board of Directors so determines, the Directors may be elected as provided in Section 4.04 hereof, instead of at the annual meeting.

#### Special Meetings

Section 3.02. Special meetings of members may be called and held at such times and places as may be ordered by the Board of Directors. Special meetings of the members shall be called by the President or by the Board of Directors within fourteen (14) days after receiving a written request for such meeting signed by the holders in good standing of not less than ten percent (10%) of the members of the corporation.

#### Notice

Section 3.03. Notice of meetings shall be delivered either personally or by mail to each member of the corporation, addressed to him/her at his/her address as it appears on the books of the corporation, not less than seven (7) days prior to the date of such meeting, by or at the direction of the Secretary. Such notice shall specify the place, the day and the hour of the meeting and, in the case of special meetings, the general nature of the business to be transacted.

#### Quorum

Section 3.04. The presence, in person or by proxy, of not less than thirty-five percent (35%) of the members of the corporation shall constitute a quorum.

## Adjournment for Lack of Quorum

Section 3.05. In the absence of a quorum, any meeting may be adjourned by the vote of a majority of the members present in person or by proxy, but no other business shall be transacted. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. When a meeting is adjourned for less than thirty (30) days, it is not necessary to give any notice of the adjourned meeting other than by announcement at the meeting at which the adjournment is taken.

## Loss of Quorum

Section 3.06. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum.

## Voting Rights

Section 3.07. A member as defined in Section 2 shall be entitled to vote on a matter submitted to a vote of the members subject to the following rules:

(a) A member shall be entitled to one (1) vote for each parcel owned, subject to the rules relating to co-ownership as specified in Section 2.02 (d) hereof. To be entitled to multiple votes under this provision, the member must have paid dues for the current year for each qualifying parcel.

(b) Members may vote in person or by written proxy assigned to a person over 18 years of age, executed and filed with the Treasurer; provided, however, that no proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. A proxy, to be valid, shall set forth the matter to be voted on and the manner in which the vote should be cast.

## Conduct of Meetings

Section 3.08. (a) Meetings of members shall be presided over by the President of the corporation, or in his/her absence, by the Vice President, or in the absence of both, by a chairperson chosen by a majority of the members. The Secretary of the corporation shall act as Secretary of all meetings of members, provided that in his/her absence the presiding officer shall appoint another person to act as Secretary of the meeting.

(b) Meetings shall be governed by Robert's Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with the law.

## ARTICLE 4. DIRECTORS

### Number

Section 4.01. The directorate of this corporation shall consist of an odd number with a minimum of nine (9) and a maximum of fifteen (15) Directors. The number of Directors that shall serve the following year will be determined by the directorate of this corporation prior to the next annual election.

### Powers

Section 4.02. The Board of Directors shall exercise the powers of the corporation, control its property, and conduct its affairs.

### Qualifications

Section 4.03. A Director shall be a member of the corporation as defined in Section 2.02, or a properly designated proxy. A member shall have the power to designate as his/her proxy for the purposes of serving as a Director any person over the age of 18 residing at that parcel. This power shall be exercised by written document filed the Treasurer. The term of this proxy designation shall be for the two year term of office of such Director and may be renewed for two additional consecutive two-year terms in accordance with Section 4.04. Directors shall be eligible for reelection provided they continue to meet the qualifications.

### Election and Term of Office

Section 4.04. (a) Directors shall be elected at the annual meeting as set forth in Section 3.01 of these Bylaws, or by mail in such manner as the Board of Directors shall determine, provided, however, that if the election is to be held other than at the annual meeting, at least thirty (30) days' written notice thereof must be delivered to each member either personally or by mail sent to the address as it appears on the books of the corporation. The term of office shall be two (2) years; to ensure continuity, approximately the same number of Directors shall be elected on the odd years as on the even years. A Director may serve no more than three consecutive two-year terms.

(b) Candidates receiving the highest number of votes up to the number of Directors to be elected are elected.

(c) Each Director shall hold office until his successor is elected.

### Vacancies

Section 4.05. Any vacancy occurring in the Board of Directors for any reason, including an increase in the number of Directors, shall be filled by appointment by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director. A director appointed to fill a vacancy shall serve the unexpired term of his elected predecessor.

### Meetings

Section 4.06. (a) Meetings of the Board of Directors shall be held at such place which has been designated from time to time by resolution of the Directors.

(b) The Board of Directors shall meet regularly at least twice each year on such day and at such time as it shall by resolution specify.

(c) Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors.

(d) Notice of the time and place of meetings shall be given by, or at the direction of the Secretary to each Director personally, by email to email address provided by Director to Secretary, or by United States mail addressed to him at his address as it appears on the books of the corporation at least seven (7) days prior to the date of the meeting.

(e) A majority of Directors shall constitute a quorum for the transaction of the business of the corporation.

(f) Meetings of Directors shall be governed by Robert's Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent or in conflict with these Bylaws, with the Articles of Incorporation, or with the law.

### Majority Action as Board Action

Section 4.07. Every act or decision done or made by a majority of the Directors present at any meeting duly held at which a quorum is present is the act of the Board of Directors, unless the law or these Bylaws require a greater number.

### Action by Board Without Meeting

Section 4.08. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. An email message containing the Director's consent shall qualify as consent in writing. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent

shall have the same force and effect as a unanimous vote of such Directors. Any certificate or document which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting, and that the Bylaws authorize the Directors so to act.

## ARTICLES. OFFICERS

### Number and Titles

Section 5.01. The officers of the corporation shall be a President, a Vice President, a Secretary, and a Treasurer.

### Qualification, Election and Term of Office

Section 5.02. The Board shall elect the officers of the corporation from among the Directors on an annual basis, and each shall hold office until he/she resigns or is removed or is otherwise disqualified to serve, or until his/her successor shall be elected, whichever occurs first.

### Removal and Resignation

Section 5.03. Any officer may be removed as such with or without cause by a majority of the Directors at that time in office. Any officer shall be removed should he/she cease to be qualified for the office as provided in these Bylaws. Any officer may resign at any time by giving written notice to the Board of Directors. Any such resignation shall become effective at such time as may be specified in the notice or upon receipt if no time is specified, and acceptance of such resignation shall not be required to make it effective.

### Vacancies

Section 5.04. A vacancy in any office caused by any reason shall be filled by the Board of Directors for the unexpired portion of the term.

### Duties of President

Section 5.05. The President shall exercise general supervision of the affairs and activities of the corporation, shall preside at all meetings of the members and Board of Directors at which he/she is present, shall serve as an ex officio member of all committees, and shall perform all duties incident to the office of President and such other duties as may be prescribed from time to time by the Board of Directors.

### Duties of Vice President

Section 5.06. The Vice President shall assume the duties of the President whenever the

latter is absent or is unable or refuses to act, and shall perform all duties incident to the office of Vice President and such other duties as may be prescribed from time to time by the Board of Directors.

#### Duties of Secretary

Section 5.07. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors. and shall be the custodian of all corporate records and shall give all notices as are required by law or these Bylaws, and shall perform all duties incident to the office of Secretary and such other duties as may be prescribed from time to time by the Board of Directors.

#### Duties of Treasurer

Section 5.08. The Treasurer shall receive all funds of the corporation, shall deposit such funds as provided in Section 7.03 of these Bylaws, and shall payout funds as directed by the Board of Directors, and shall maintain adequate and correct accounts of the corporation's properties and business transactions, shall render reports and accountings to the Board of Directors as required, and shall perform all other duties incident to the office of Treasurer, including maintenance of membership records, and such other duties as may be prescribed from time to time by the Board of Directors.

#### Compensation

Section 5.09. Officers of the corporation shall serve without compensation.

### ARTICLE 6. COMMITTEES

Section 6.01. Committees may be established by the Board of Directors, or by the members at the annual meeting or at a special meeting, the descriptions, times and procedures of which are set out in Article 3 of these Bylaws.

### ARTICLE 7. INSTRUMENTS, DEPOSITS AND FUNDS

#### Contracts

Section 7.01. The Board of Directors may authorize any officer or agent of the corporation, in addition to those so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of, or on behalf of the corporation, and such authority may be general or specific. Unless so authorized, no officer, agent, or employee shall have any power, except as provided in these Bylaws, to bind the corporation by any contract or engagement or to pledge its credit or to render it liable pecuniarily for any purpose or in any amount.

## Expenditures

Section 7.02. All checks, drafts, or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by the Treasurer unless otherwise directed by resolution of the Board of Directors.

## Deposits

Section 7.03. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

## Gifts

Section 7.04. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

## ARTICLE 8. BYLAWS

### Effective Date

Section 8.01. These Bylaws shall become effective immediately upon their adoption by the Board of Directors, and any amendments to these Bylaws shall become effective immediately upon their adoption unless the Board of Directors, or members, in adopting them, provide that they are to become effective at a later date.

### Amendment

Section 8.02. New Bylaws may be adopted, or these Bylaws may be amended or repealed by the vote or written assent of members entitled to exercise a majority of the voting power of the corporation, or by the vote of a majority of a quorum at a meeting duly called and noticed for the purpose, or by the unanimous vote of the Board of Directors.

## ARTICLE 9. DISSOLUTION

### Vote of Members

Section 9.01. The corporation may be dissolved by the vote or written assent of members entitled to exercise a majority of the voting power of the corporation, or by the vote, in person or by proxy, of a majority of a quorum at a meeting duly called and noticed for the purpose of dissolving the corporation.

### Distribution of Assets

Section 9.02. Upon dissolution of the corporation, the assets then held by the corporation, if any, shall be distributed to a charitable or civic organization which has as its main purpose or effect the improvement of the quality of life in the City of Oakland, Alameda County, California. Said organization shall be determined by the vote or written assent of the members entitled to exercise a majority of the voting power of the corporation, or by the vote, in person or by proxy, of a majority of a quorum at a meeting duly called and noticed for the purpose of determining the distribution of the assets.

## ARTICLE 10. CONSTRUCTION AND DEFINITIONS

### Definitions

Section 10.01. As used in these Bylaws:

(a) "Hillcrest Estates", "Skyline Terrace" and "Skyline Estates" shall each mean that certain tract of land in the County of Alameda, State of California, as shown on the records of the office of the County Recorder of Alameda County.

(b) "Parcel" shall be deemed to refer to each separate unit of property contained within Hillcrest Estates, Skyline Terrace and Skyline Estates, as shown on the records of the office of the County Recorder of Alameda County.

### Construction

Section 10.02. As used in these Bylaws:

(a) The present tense includes the past and the future tenses, and the future tense includes the present.

(b) The singular number includes the plural and the plural includes the singular.

(c) The word "shall" is mandatory and the word "may" is permissive.

## CERTIFICATE

I, JUDI BANK, hereby certify:

That I am the duly elected and acting Secretary of HILLCREST ESTATES IMPROVEMENT ASSOCIATION, INC., a California Corporation; and

That the foregoing Bylaws, consisting of nine (9) pages, including, this page, constitute the Bylaws of said corporation as duly adopted by the Directors at a meeting duly held on

\_\_\_\_\_ (date), at \_\_\_\_\_ (location) Oakland,  
Alameda County, California

\_\_\_\_\_  
JUDI BANK